

Manila Fails to Dislodge Rebels

LATE NEWS

2 Israeli Leaders Clash on Talks

TEL AVIV (AP) — Prime Minister Yitzhak Shamir sharply disagreed Wednesday with recent remarks by Foreign Minister Shimon Peres that Israel was committed to participate in international talks on the Middle East.

The dispute was their first public clash about the stalled peace moves since they switched jobs 100 days ago under a 1984 agreement to alternate the post of prime minister.

Mr. Peres, the Labor Party leader, noted that the Knesset, Israel's parliament, had approved an international conference when he presented the proposal in November 1985. "No one has the authority to change that without a majority," he said. But Mr. Shamir, of the rightist Likud bloc, told the Knesset on Wednesday, "I don't think it's a desirable situation" to hold an international conference. He said the Knesset's earlier approval was not binding on his government.

INSIDE TODAY

GENERAL NEWS

■ Contra commanders in southern Nicaragua quit the rebel alliance. Page 4.

■ Britain offered to talk with radicals in Lebanon to seek the release of hostages. Page 2.

■ Some Indonesians question President Suharto's decision to seek a fifth term. Page 5.

BUSINESS/FINANCE

■ Elf Aquitaine of France reported a 19 percent drop in profits for 1986. Page 11.

U.S. Imposes Ban on Travel To Lebanon

Reuters

WASHINGTON — The Reagan administration announced Wednesday that it was forbidding Americans to travel to Lebanon unless they had U.S. government approval.

A State Department spokesman, Charles E. Redman, said that, effective immediately, U.S. passports could not be used for travel to or through Lebanon unless officially validated for that purpose.

Three American university professors were seized Saturday in West Beirut, bringing to at least eight the number of Americans known to be held hostage in Lebanon.

Mr. Redman said exceptions to the ban would be made for people already in Lebanon and for family members of Americans held hostage.

France has ordered Georges Ibrahim Abdallah to stand trial in two killings. Page 2.

Page there. Americans already in Lebanon will be allowed 30 days to leave.

He said Secretary of State George P. Shultz "has determined that there is imminent peril to U.S. citizens in Lebanon."

Mr. Redman said that violators of the ban would be subject to a \$2,000 fine and five years in prison.

Separately, officials in London said that Britain was prepared to talk with radical groups in Lebanon to track down Terry Waite, the missing Church of England envoy, and secure the release of Western hostages.

The Foreign Office said it had engaged in contacts with U.S. officials and with other governments about Mr. Waite, who disappeared in West Beirut while attempting to negotiate the release of hostages.

Mr. Waite was last seen Jan. 20, when he left his hotel to meet with a group, presumably members of the fundamentalist Islamic Jihad organization, that was holding hostages. There have been unconfirmed reports that he has been placed under "house arrest" by the hostage-takers.

Guarantees about his safety were relayed by a Lebanese Shiite Muslim doctor and former cabinet minister who has been acting as an intermediary between Mr. Waite and those holding the hostages, the independent Beirut newspaper *Al-Nahar* reported Wednesday. The doctor's name was not disclosed.

The newspaper quoted a source close to the doctor as saying that the kidnappers had no intention of holding Mr. Waite.

Mr. Waite, the special envoy of the archbishop of Canterbury, Robert Runcie, was seeking the release of two U.S. hostages in particular: Terry A. Anderson, a journalist, and Thomas Sutherland, a dean of the American University of Beirut.

In Iran, the speaker of the parliament, Hashemi Rafsanjani, said of See BAN, Page 2.

Rift in Military Poses Threat To Stability Before Plebiscite

By Michael Richardson

International Herald Tribune

MANILA — Troops loyal to the government of President Corazon C. Aquino fired tear gas Wednesday night into a broadcasting complex in an unsuccessful attempt to flush out about 150 rebellious soldiers who occupied the building during a coup attempt Tuesday.

But military commanders held back from launching a full-scale armed assault against the rebels, the last of about 500 soldiers who had tried to take over bases and communication centers in and around Manila.

Military sources and Western analysts said commanders feared that further fighting and bloodshed between breakaway soldiers and units loyal to the government of Mrs. Aquino would aggravate political divisions in the armed forces and undermine her government.

The analysts also said the handling of the rebels was a measure of the personal authority of General Fidel V. Ramos, the armed forces chief of staff, and of the effectiveness of the military chain of command.

See MANILA, Page 2

He Offers to Cooperate With Congress

By David Hoffman

Washington Post Service

WASHINGTON — President Ronald Reagan has ended a long session with a State of the Union address in which he lamented that "serious mistakes were made" in the sale of U.S. weapons to Iran, acknowledged that he had taken a risk that failed, and urged the nation to look beyond the worst controversy of his presidency.

"Let it never be said of this generation of Americans that we became so obsessed with failure that we refused to take risks that could further the cause of peace and freedom in the world," he said in Tuesday night's nationally broadcast speech to Congress.

forward a modest list of domestic policy initiatives, including a tentative proposal to provide insurance to the elderly for catastrophic illnesses, a program of reduced-farm subsidies and experimental projects at the state level to change the welfare system.

Mr. Reagan, who appeared vigorous and was greeted with sustained applause, took the rostrum in the House of Representatives on Tuesday night after a long absence from the public eye.

The president devoted just two paragraphs of his text to the Iran controversy.

President Rejected 'a Fighting Speech'

By R.W. Apple Jr.

New York Times Service

WASHINGTON — President Ronald Reagan has produced a State of the Union message that he could have delivered, with only modest changes, if his party had won the Senate elections in November and if the Iran-contra affair had never developed.

Sensing that Mr. Reagan had been weakened by the Republicans' loss of the Senate, the uproar over arms sales to Iran and the diversion of some of the profits to the Nicaraguan rebels, many of his supporters had hoped that the president would go to Capitol Hill on Tuesday night "with blood in his eye and make a fighting speech," in the words of Senator William L. Armstrong, Republican of Colorado.

But Mr. Reagan chose not to do that advice.

Instead, he appealed for cooperation by congressional Democrats, made a brief and mildly phrased reference to the arms controversy, listed a series of goals that he had mentioned in other such speeches and moved on to a coda built

around the sovereignty of the people under the U.S. Constitution, which is 200 years old this year.

The United States, he said, quoting Benjamin Franklin, "is a rising and not a setting sun." It was a typical Reagan rhetorical device reminiscent of his 1984 campaign speech.

NEWS ANALYSIS

THEMATICALLY, it's morning in America — and designed, perhaps, to suggest that he himself was not prepared quite yet, despite his problems, to ride into the political sunset.

Mr. Reagan said the nation must not become "obsessed with failure."

Yet there was ample evidence in his speech that the favor surrounding the Iran arms deal, as well as other factors, has stymied the White House. He was unable because of internal dissension, for example, to provide details of what is emerging as the major domestic policy initiative, insurance against catastrophic illness.

According to White House offi-

CIA Director William J. Casey, who was not present, told reporters that the president had agreed to a deal with the Soviet Union to limit strategic nuclear weapons.

See ANALYSIS, Page 2



REAGAN'S GIFT — Hashemi Rafsanjani, the speaker of the Iranian parliament, displaying on Wednesday a Bible he said President Ronald Reagan signed and sent to Iranian officials when the United States was secretly sending weapons to Iran. Page 4.

In Beijing, the Power Struggle Is On Tianjin Mayor Said to Be Deng Favorite for Prime Minister

By Daniel Sutherland

Washington Post Service

BEIJING — Although ideology dominates the headlines in China's newspapers, party officials are engaged in a struggle for power and influence that counts as much as the ideological arguments, diplomats and other analysts said yesterday.

According to two Chinese analysts who have separate connections to high levels of the government, Deng Xiaoping, China's senior leader, decided several months ago that the former Communist Party chief, Hu Yaobang, who was forced to resign Jan. 16, was accumulating power and influence at too rapid a rate.

They said that Mr. Hu had placed many of his protégés in positions of influence without consulting other leaders.

Mr. Hu, it is said, also neglected to give a place in his plans to certain powerful interest groups, including the military and conservative party ideologues.

recently assumed the position of acting Communist Party chief?

Diplomats said that Mr. Deng's initial impulse was to look for new blood for the prime minister's office and that he had settled on Li Ruihuan, 52, the mayor of Tianjin, for the job.

Mr. Li has had no experience working at a high level in the central government and will require more grooming if he is to get the job.

Some sources say that the conservatives, in particular, apparently complained to Mr. Deng about Mr. Hu's moves and that pressure from the conservatives probably proved critical in turning Mr. Deng against his protege.

Mr. Deng apparently prefers to have a balance of power at the top. Then, from a position somewhere in the middle of a spectrum of views, he acts as supreme arbiter.

Observers think that Mr. Li would be the choice of conservative party leaders because of his emphasis on central planning and government control over the economy.

Judging by his frequent appearances in the government-controlled media, he appears to be a favorite to replace Zhao Ziyang, who

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Once Again, an Exodus of Academics Worries U.K.

By Warren Getler
International Herald Tribune

OXFORD, England — British academics are concerned about demoralization in their ranks that appears to be fueling an exodus of intellectuals to foreign shores.

"We're losing a generation of some of our best people," said Denis Noble, professor of physiology at the University of Oxford.

Mr. Noble and some other British scholars say that the conservative government of Prime Minister Margaret Thatcher is failing to respond to the problem. They say that the exodus of talent is occurring at a time when Britain has suffered deep erosion in its manufacturing base and when its ability to compete internationally depends increasingly on technological innovation.

A steady outflow of eminent scholars from Britain and other European nations in the 1950's and 1960's, blamed largely on low salaries, raised widespread concern that a "brain drain" was taking place.

The current departures, critics say, do not match the scale of the earlier exodus, but the reasons behind them are much broader and affect not just the sciences but also the humanities.

"I don't think today's problem is fundamentally about salaries," said Bernard Williams, 57, a philosopher who is provost of King's College, Cambridge University, and himself headed abroad.

"Cuts in government support, a lack of job opportunities and new requirements encouraging early retirement have led to a very high degree of demoralization," he said.

A report this month by the House of Lords Select Committee on Science and Technology said:

"The academic community, subject to financial restraints and stagnation, is held back from breaking new ground and enthusing its pupils. A brain drain among the best graduates is again evident."

The U.S. National Science Foundation said in a 1985 report that 1,000 scientists and engineers from Britain had obtained permanent immigration status in the United States in 1984, representing nearly half the total for all of Western Europe that year.

As a percent of worldwide immigration of scientists and engineers to the United States, Britain's contribution has risen steadily, from 7 percent in 1976, to 8.5 percent in 1982 and 10.5 percent in 1984, the study said.

Moreover, fewer British undergraduates appear eager to enter careers in academics.

At Oxford, the proportion of first degree graduates entering research or further academic study fell from 17.7 percent in both the academic years 1982-83 and 1983-84 and to 16.3 percent in 1984-85.

Mr. Williams, who early next year will join the philosophy department of the University of California at Berkeley, said:

"I've already been a full professor at two British universities. What seems to be the bad news is that those in their 40s won't take positions in Britain when posts are available." He said that was due to "generally inferior conditions" at British universities.

Mr. Noble, who recently received salary offers from U.S. universities ranging between \$60,000 and \$100,000, said that British professors traditionally "have been willing to accept lower salaries in the U.K., but only so long as facilities for doing research" were kept on par with those abroad.

The decline in working conditions over the past five years, he said, had made it increasingly difficult for British academics to ignore opportunities to teach or quadruple their salaries.

In Britain's government-regulated university system, the most senior faculty member can hope to earn, excluding fringe benefits, is about £22,000 (\$33,400), academics here say. For junior faculty, the figure is typically from £11,000 to £15,000.

That compares to top salaries ranging from \$60,000 to well above \$100,000 for senior faculty at the most prestigious U.S. universities.

The issue of compensation aside, much of the current malaise emerged after sharp reductions in educational spending that were part of Mrs. Thatcher's austen budget. Funding for university research dropped an estimated 12 percent between 1979 and 1983.

The budget cuts brought a hiring freeze potentially covering hundreds of senior faculty posts at most British universities, including Oxford and Cambridge. Should those seats become vacant, there are no plans to fill them.

At Oxford, 140 faculty posts, or 11 percent of the total, will be cut by the end of 1992.

"That's absolutely inevitable as a result of the cutback in funding," said Anne Lonsdale, university information officer.

Among positions that will re-

main vacant for at least the next two years, she said, are the head of Oxford's inorganic chemistry department.

OXFORD'S Mr. Noble, 50, who is an authority on the human heart, has cast himself as unofficial spokesman for the Save British Science Society.

The campaign, intended to draw government attention to deteriorating morale in British academe, was begun in January 1986 by a handful of Oxford scientists. It now includes more than 100 members of the London Royal Society, Britain's premier science association, among them 11 Nobel laureates.

In the 1980s, according to Royal Society officials, 1 out of 4 of its new fellows, all top-rank scientists, was living abroad when nominated, compared with 1 in 6 during the 1960s and '70s.

Sav British Science has asked Parliament to increase spending on university research and development programs by at least 17 percent, or £100 million annually.

The government, in turn, has urged universities to seek supplemental aid from the private sector — in effect, to pursue private fund-raising approaches of American universities.



Professor Denis Noble

WORLD BRIEFS

At Least 26 Die in Sri Lanka Fighting

COLOMBO, Sri Lanka (AP) — Tamil rebels killed six policemen in an ambush on a convoy, and government security forces killed 20 guerrillas during retaliatory attacks on rebel hideouts Wednesday, the government said.

Residents in the area said at least 15 civilians also were killed by government forces. The government said civilians may have been killed or wounded in the crossfire, but it provided no figures.

6 Irish Soldiers Hurt in Lebanon Blast

JERUSALEM (AFP) — A total of six Irish soldiers of the United Nations Interim Force in Lebanon were wounded in a bomb blast early Wednesday at the Irish battalion headquarters in southern Lebanon, the force's spokesman said Wednesday. Initial reports said only two soldiers were wounded.

The spokesman, Timur Goksel, said by telephone that five remote-controlled bombs had been placed inside the headquarters, which are at Tibnin in the central part of southern Lebanon.

Four of the bombs, containing about 22 pounds (10 kilograms) of explosive, were defused in time, but the fifth went off, severely wounding two of the soldiers.

Striking Madrid Students See Minister

MADRID (Reuters) — Striking Spanish students met with Education Minister Jose Maria Maravall on Wednesday, but both sides said after the talks that no solutions had been found to end the unrest that has crippled high schools for more than a week.

"We want to reach an agreement, but if Maravall refuses to discuss the university entrance system our fight will continue," a student leader, Juan Ignacio Ramon, said after the meeting. "We will not back down on demands to scrap the university admission exams."

While the talks were taking place in Madrid, students and police clashed in Barcelona, where 10,000 demonstrators took to the streets to press their demands for cheaper and easier access to university. The police fired rubber bullets and tear gas to disperse the crowd, but no injuries or arrests were reported.

High U.S. Official Arrives in Warsaw

WARSAW (UPI) — The deputy U.S. secretary of state, John C. Whitehead, arrived here Wednesday on a four-day visit for the first high-level U.S.-Poland talks in Warsaw since martial law was declared in 1981.

At the same time, Prime Minister Zbigniew Messner told Poland's parliament, the Sejm, that Warsaw was ready to normalize relations with the Washington only on condition that the United States stops interfering in Poland's internal affairs.

Mr. Whitehead said in a brief arrival statement that remaining U.S. sanctions against Poland will stay under review and not be lifted during his visit. Relations between Warsaw and Washington have been strained since the Polish authorities outlawed the Solidarity labor movement and imposed martial law for three years.

Grand Jury Picked in Iran Arms Case

WASHINGTON (AP) — A U.S. judge selected a grand jury Wednesday to investigate the Iran-contra affair.

Judge Aubrey Robinson of U.S. District Court chose a panel of 23 jurors to hear testimony about the sale of arms to Iran and the alleged diversion of proceeds to the anti-Sandinist rebels in Nicaragua.

The grand jury, which has the power to subpoena witnesses and documents, will be the primary investigative tool of Lawrence E. Walsh, the former federal judge named by a special court to conduct the independent investigation. The jury also has the power to indict individuals if it determines that criminal violations occurred.

Congress Moves to End U.S. Rail Strike

WASHINGTON (NYT) — Congress has approved legislation to try to end the 11-day strike against the Long Island Rail Road during a 60-day cooling-off period.

If President Ronald Reagan signs the bill soon, as he is expected to do, the trains could be running again by the end of the week. The president of the railroad, Bruce C. McIver, has said that service could be resumed 48 hours after a return to work.

If a settlement of the outstanding issues is not reached during the cooling-off period, a three-member panel would recommend a settlement to Congress. Congress would have to approve the settlement, or the strike could resume. The cooling-off period would end March 17.

U.S. Court to Hear School Prayer Case

WASHINGTON (NYT) — The Supreme Court has agreed to consider the constitutionality of a 1982 New Jersey law, related to the issue of school prayer, requiring that public school permit students to observe one minute of silence daily "for quiet and private contemplation and introspection."

Mr. Botha, in a meeting with Archbishop Hurley in November, quoted a 1981 papal pronouncement discouraging active church involvement in politics.

They said the brother, Abbas Ali Hamadeh, a West German citizen, was being held on suspicion of "placing the state under duress" and was being questioned about the Beirut kidnappings.

He was arrested at Frankfurt airport Monday after his return from Beirut. Six of his acquaintances, all Lebanese, were detained briefly after police raids in Starland in which one man was shot and wounded.

In Washington, Secretary of State George P. Shultz was to meet late Wednesday with Oliver Tambo, the leader of the African National Congress, United Press International reported.

Catholics To Protest Apartheid

United Press International

JOHANNESBURG — Despite a papal injunction against church involvement in politics, South Africa's Catholic clergymen will protest apartheid's injustice, a bishop said Wednesday.

"Life in South Africa is governed by politics, and we can't withdraw from life," said Bishop Wilfred Napier, new president of the Southern African Catholic Bishops Conference.

"We certainly have no intention of getting involved in party politics, but I do not see how we as Christian leaders can avoid getting involved in the issues that affect our society," he said.

Archbishop Desmond Hurley, head of the nation's three million Catholics, backed Bishop Napier's comments in a meeting of bishops.

He said it was gratified that the bishops had "become more and more committed to the task of promoting justice and full participation of all South Africans in the political, economic and cultural life of the country."

He said Pope John Paul II hoped the bishops would continue a dialogue with President F. W. Botha's government "with patience and perseverance."

Mr. Botha, in a meeting with Archbishop Hurley in November, quoted a 1981 papal pronouncement discouraging active church involvement in politics.

Church officials have said at least 12 Catholic priests and lay workers are being held by the police under special powers.

Tambo to Meet Shultz

In Washington, Secretary of State George P. Shultz was to meet late Wednesday with Oliver Tambo, the leader of the African National Congress, United Press International reported.

MANILA: Rebels Hang On

United Press International

One of the attackers was killed and 16 were wounded.

A Philippine military officer said that if government troops had to use fire-power to retake the television station, which is protected by a high concrete wall, there would be heavy casualties on both sides.

General Ramos told Colonel Canlas at a predawn meeting in a trailer-truck outside the TV station that before the Philippines could successfully combat the Communist insurgency "we must have unity, not fragmentation, of our armed forces."

He said that since the overthrow of President Ferdinand E. Marcos in February in a military revolt and popular uprising, the organization, known as SAL-T-2, Democrats have said they will push legislation to bind the administration to these limits.

"Enacting the Soviet negotiating position into American law would not be the way to win a good agreement," Mr. Reagan said. "So I must tell this Congress I will veto any effort that undercuts our national security and our negotiating leverage."

Mr. Reagan's separate legislative message included a number of new domestic spending proposals, such as a \$1 billion job training program.

The president also announced a series of initiatives that he said would improve the "competitiveness" of the United States. He reiterated his stand against protectionist trade legislation, saying the U.S. was "always willing to be trade partners, but never trade pawns."

His initiatives included education policy changes, such as promotion of literacy, raising school standards and improving basic skills.

CHINA: Succession Struggle

Associated Press

Vannava and the Soviet Union signed a \$1.5-million, one-year fishing agreement Tuesday that allows Russian vessels to use the ports of the tiny South Pacific nation.

Flags at the Kennedy Space Center were lowered to half-staff Wednesday under a gray sky as rocket engineers observed a silent tribute on the first anniversary of the Challenger disaster.

A Spanish High Court rejected an appeal Wednesday by the government against the suspension of a decree liberalizing Spain's limited abortion law. The Supreme Court struck down the decree last month following an appeal by an anti-abortion group.

For the Record

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China: Succession Struggle

Associated Press

be elevated to the Politburo this year.

If Mr. Li performs well, he might become the top candidate for a leading committee.

But one analyst said that Mr. Deng did not completely trust Mr. Li.

Another said that Mr. Deng had questioned Mr. Li's performance in a meeting with the Soviet leader, Mikhail S. Gorbachev, in Moscow in December 1985. Mr. Deng apparently felt that Mr. Li did not fully understand what the Chinese meant by "more constructive" talks.

He said that since the overthrow of President Ferdinand E. Marcos in February in a military revolt and popular uprising, the organization, known as SAL-T-2, Democrats have said they will push legislation to bind the administration to these limits.

General Ramos told the rebel leader that if he and his men came out peacefully "we will guarantee you fair and honorable treatment." But, he added, "you will have to face up to our rules and regulations."

Mr. Aquino said Tuesday that rebel officers responsible for what he called "this act of rebellion" would be court-martialed.

Government officials and General Ramos said the plot was engineered by supporters of Mr. Marcos and other opposition figures who wanted to prevent the Aquino administration from holding a nationwide plebiscite Monday on a new constitution.

In a report to the cabinet Wednesday, General Ramos said that despite denial of connections with pro-Marcos groups, "the activities of most rebel soldiers are apparently part of the opposition's scheme to either delay or influence the result of the plebiscite."

U.S. Wages Rose 3.5% in '86

Associated Press

WASHINGTON — American workers received wage increases averaging 3.5 percent in 1986, down from the 4.4 percent average a year earlier, but more employers gave lump-sum bonuses instead of higher weekly paychecks, the Bureau of Labor Statistics reported Tuesday.

REAGAN: President Tells Nation of 'Serious Mistakes' Made in Sales of Arms to Iran

(Continued from Page 1)

White House official said, "I would not read into it that he thinks he made mistakes."

The president has said in the past that the sales of anti-tank and anti-aircraft missiles to Iran were amended to create an opening to moderate factions in that country, but Tuesday night he offered no further explanation.

He did not apologize for the Iranian decisions, as some members of Congress have urged. Instead he suggested indirectly that the controversy was being fueled by partisanship.

"Much is at stake here," he said, "and the nation and the world are watching — to see if we go forward together in the national interest, or if we let partisanship weaken us."

Mr. Reagan opened his address with a handshake and gesture of bipartisanship for the new House

speaker, Representative Jim Wright, Democrat of Texas. He recalled that

Information for the Shareholders
of Nixdorf Computer AG

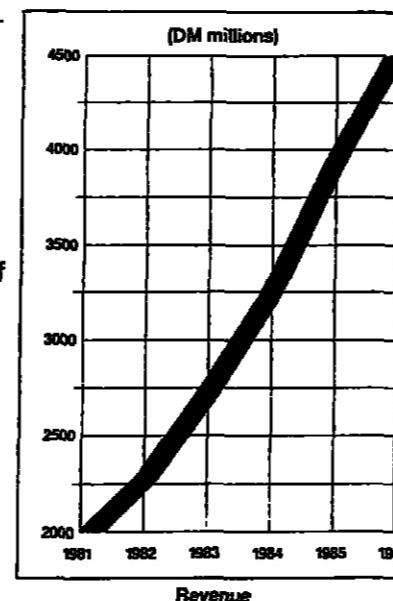
Nixdorf Creates Capital For The Future

Capital Growth Resources

Nixdorf attained its growth target in 1986 by lifting revenue 15 per cent to DM 4.51 billion. But for adverse currency movements affecting the conversion of foreign sales into D-Marks, revenue would have increased by 21 per cent. So for yet another year, Nixdorf again outpaced the industry average.

Our objective in 1987 is to stay firmly on the growth path. With orders on hand totalling more than DM 4.43 billion, we're off to a very good start. As the year began, orders on hand were up by 13 per cent on the level a year ago. This figure was also affected by adverse currency movements.

In preparation for ongoing expansion, we again kept



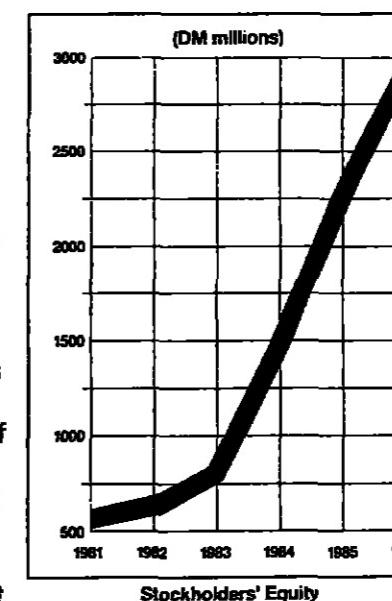
capital expenditure high in 1986: Besides recruiting and training an additional 2,300 personnel, we invested DM 600 million in fixed assets, and DM 420 million in research and development.

Capital Financial Resources

Pursuing growth on a firm financial base has always been a Nixdorf principle: Our equity ratio of more than 60 per cent says everything. Our financial resources allow us to continue business expansion while retaining our independence.

That's one advantage. Another is for you the customer to ponder: after all, this exceptional financial base is also an assurance that Nixdorf is a dependable, long-term partner who will stay with you into the future. We nurture this partnership by sustained and substantial capital investment in fixed assets, research and development, and ongoing training of our people.

We intend to seize every opportunity for expansion in

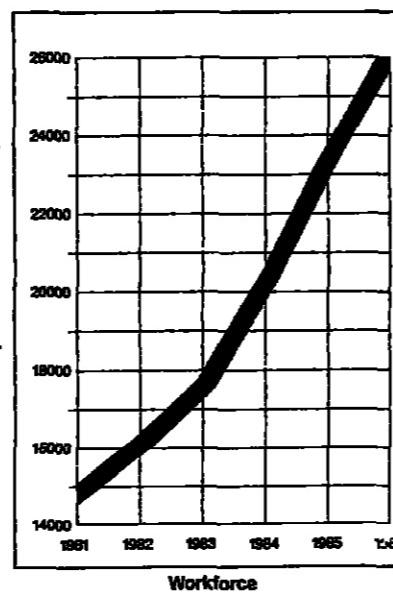


our established markets, while opening up additional revenue sources in new growth markets: With innovative applications like CAD/CAM solutions and telecom products.

Capital Competitive Resources

People are our most important asset. Our competitiveness depends essentially on their skill and commitment. This explains why we invest so heavily in personnel training. We have to: 7 out of 10 of our workforce of 25,600 people are employed on customer support activities, where their qualifications make all the difference. We're also deeply committed to vocational training for newcomers to the industry: in 1986, the number of Nixdorf trainees rose by 23 per cent to 1,800.

This year, we plan to take on another 2,000 personnel, chiefly to consolidate Nixdorf's traditional strengths in customer service and software development. If there's one single attribute that gives us the edge over the competition, it's our dedication to meeting customer requirements. It's this that guarantees Nixdorf users a lasting and successful partnership.



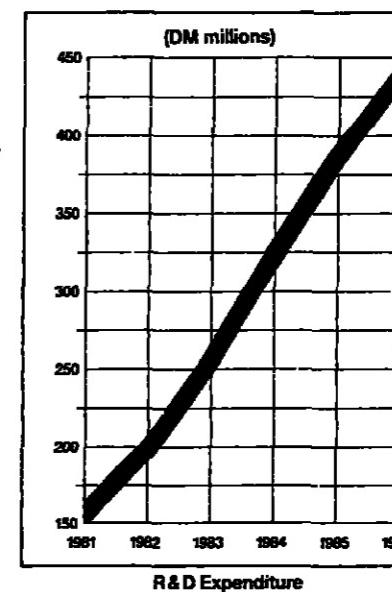
Another of our competitive strengths is our in-depth knowledge of vertical industries. As a 'general contractor' for information technology solutions, this industry expertise gives us the ability to understand every customer's business and offer each a system suited to their needs. Our aim is to become Europe's Number One system supplier providing users with total solutions, complete with hardware, software and comprehensive services.

Capital Innovative Resources

Converting new technologies into innovative solutions is a Nixdorf tradition. And this is based on a long-standing company commitment to provide the end-user with all the benefits of computer power.

Nixdorf takes "raw material" chips, for example, and customises them creatively to provide end-users with information technology in the form of future-oriented systems. These systems extend the power of the computer to include word processing, graphics and voice communications; they encompass multifunctional terminals and database applications for integrated information processing in the office or factory.

With its innovative resources, Nixdorf is furthering the convergence of computer and communications technology, and accelerating



the emergence of new and better telecom services: With products like ISDN-capable PABXs, digital telephone systems, videotex terminals and broadband switching systems for the German PTT. Our R&D expenditure in 1986 amounted to more than 9 per cent of revenue.

Southern Units Quit The Contra Alliance

By Richard Boudreax
and Doyle McManus
Los Angeles Times Service

SAN JOSE, Costa Rica — Commanders of Nicaraguan rebel groups operating in southern Nicaragua have announced their withdrawal from the United Nicaraguan Opposition, the U.S.-sponsored alliance of rebel groups, citing dissatisfaction with the way the coalition has been run.

Also on Tuesday, sources close to Arturo José Cruz, one of the organization's three directors, said he had decided to resign from the alliance because he believed that

the group was unfairly dominated by the largest and most conservative rebel group, the Nicaraguan Democratic Force.

A second leader of the rebel alliance, Alfonso Robelo Callejas, also complained publicly Tuesday about the Nicaraguan Democratic Force. He charged that it was attempting to take control of the entire rebel movement.

"An alliance requires a minimum of cooperation," Mr. Robelo said. He said that since rebel commanders operating in southern Nicaragua "have seen no cooperation, they see no sense in staying in the alliance."

Other officials said that his comments referred to the small amount of U.S. aid that had been allotted to the faction.

The withdrawal of the rebels operating in southern Nicaragua, known as the Southern Front, from the alliance is a severe blow to the rebels' prospects, according to rebel officials. The officials said it means that those units, with as many as 2,500 troops, will no longer coordinate military strategy with the larger Nicaraguan Democratic Force, which fights mostly in northern and central Nicaragua.

Along with Mr. Cruz's reported plans to resign, it also means that the rebels, who are known as contras, no longer can claim to speak with a unified political voice. This was one of the Reagan administration's aims when it pressured the rebels to set up the United Nicaraguan Opposition in 1985.

The seven commanders of the Southern Front announced their decision in a communiqué signed Saturday in southern Nicaragua and distributed Tuesday in San José. It said they would keep fighting Nicaragua's leftist government "in an independent way."

The commanders said they had been promised "immediate and massive military aid" from the United States when their army was formed in May 1986 and joined the rebel alliance, but that "the promises were not fulfilled."

"We have become the victims of deception and an attempt to destroy the southern forces," they added.

The rancor between Mr. Cruz and Mr. Calero has been growing for two years, and Mr. Cruz has threatened to resign from the alliance at least twice before. But several close associates said that Mr. Cruz appeared genuinely set on leaving this time.

Mr. Cruz, a moderate who served in the Sandinist government immediately after the 1979 revolution in Nicaragua, is highly respected in U.S. Congress and elsewhere outside Nicaragua.

The third leader of the rebel alliance, Adolfo Calero Portocarrero, the head of the Nicaraguan Democratic Force, refused to respond directly to his colleagues' complaints.

"We are part of a democratic alliance," he said through a spokesman, "and we discuss issues within that alliance."

In Washington, a State Department official said that the Reagan administration was cooperative and was working to heal the rifts.

The official said that the complaints of the Southern Front commandants about the lack of U.S. aid "can and will be rectified shortly." The broader issue of how the guerrilla movement is organized, he said wryly, "may take a bit more time."

The issue is important in the U.S. Congress, where an administration request for \$105 million in military aid for the rebels is to be debated this year.

Both Democrats and Republicans in Congress have urged the contras to broaden their political appeal. The conservative Nicaraguan Democratic Force has largely dominated the contras' political and military efforts. Its leadership includes several former supporters of Anastasio Somoza, the Nicaraguan dictator who was overthrown in 1979.

Illegal Vietnamese Exits Outnumber Legal Ones

Agency France Presse

HANOI — For the first time since 1983, more Vietnamese left the country last year than "boat people" than under the United Nations' orderly departure program, UN statistics issued here show. Unauthorized departures by boat fell by around 3,000 people to 19,575 in 1986, the UN High Commissioner for Refugees said Monday.

Orderly departures under the UN program fell more sharply, however, from 24,940 people in 1985 to 18,418 last year. The orderly departure program has slowed since the beginning of 1986 because of a backlog of tens of thousands of Vietnamese who hold exit visas but fail to meet the entry requirements of the major host countries, the United States, Australia, Canada and France.

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President Ronald Reagan greeting the speaker of the House, Representative Jim Wright of Texas, before the State of the Union address. At left is Vice President George Bush.

Accused Spy Released by Nicaragua

The Associated Press

MANAGUA — Sam Hall, a self-styled American soldier of fortune accused of spying in Nicaragua, was freed from custody Wednesday and allowed to leave the country for the United States.

Nicaraguan officials said Mr. Hall, the brother of U.S. Representative Tony P. Hall, Democrat of Ohio, was released because he is mentally unstable.

Mr. Hall, who was arrested Dec. 12, was brought to Sandino International Airport in Managua and turned over to the U.S. vice counsel, Luis Moreno. The two men embraced and Mr. Hall boarded a plane accompanied by Gary Froehlich of Dayton, Ohio, a family lawyer who arrived in Managua on Monday.

"I just have one thing to say to the Nicaraguan people," Mr. Hall, 49, said before boarding the flight. "I'm sorry I tried to ambush them."

Mr. Hall said he was well treated during his detention, adding: "Prison authorities were terrific. They treated me like a human being."

He was arrested in a restricted area of the Punta Huete air base 13 miles (21 kilometers) northeast of Managua.

The authorities said they found maps and sketches of military targets stashed in Mr. Hall's socks, and threatened to try him for espionage.

Javier Chamorro Mora, deputy foreign minister, said Tuesday that Mr. Hall was being released "so he may be taken to the United States and receive adequate treatment at a specialized institution."

He said a psychiatrist and a clinical psychologist had found Mr. Hall to be "a very unstable personality" who might "carry out acts that could end his own life."

As a result, he said, Mr. Hall had been "declared exempt from responsibility" for acts that "clearly violated" Nicaraguan law.

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Agency France Presse

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Reaction to Reagan: Sharply Partisan

Democrat Feels 'Lack of Respect,' but Republicans Cheer

By Linda Greenhouse
New York Times Service

WASHINGTON — President Ronald Reagan's State of the Union address has provoked a congressional response that was more sharply partisan than veteran members of either party can remember.

"It was the most polarized Congress I've watched listening to a presidential speech in 27 years in Congress," said Senator Robert T. Stafford, Republican of Vermont, as he emerged Tuesday night from the chamber of the House of Representatives.

At numerous times in the speech, Republican senators and representatives were on their feet cheering while the Democrats sat, motionless and silent.

"As far as Congress goes, the days of rhetoric have passed, and that's why you saw that reaction," Senator Edward M. Kennedy of Massachusetts said in explaining the silence of his fellow Democrats.

Representative Tony Coelho of California, the House Democratic whip, said he was struck by the "lack of respect in the chamber." He added: "The Republicans were trying to do rah-rah, and as a result the decorum deteriorated."

The Republicans overreacted, Mr. Coelho said, and this "made the Democratic nonreaction bigger."

Republicans cheered and Democrats sat silently when the president took "full responsibility" for the Iran arms affair and when he urged continued support for the Nicaraguan rebels, known as contras.

When Mr. Reagan declared that "the federal deficit is outrageous," the Democrats leaped to their feet along with the Republicans. But the Democrats quickly sat down, some with audible groans, when Mr. Reagan went on to call for a

constitutional amendment to require a balanced budget.

After the speech, Democratic congressional leaders portrayed their party as willing, in principle, to help rebuild a weakened presidency but at the same time expressed skepticism about Mr. Reagan's competence and policies.

Jim Wright of Texas, the speaker of the House, and Robert Byrd of West Virginia, the Senate majority leader, shared the Democratic response, addressing a nationwide television audience. It was the first in the seven years that the Democrats have been responding to Mr. Reagan's State of the Union address.

Mr. Wright, the speaker of the House, responded to Mr. Reagan's State of the Union address by saying that the two leaders conveyed one of conciliation mixed with warning.

"The last two years of the Reagan presidency need not be a period of discord," Mr. Byrd said. "A weakened president serves no one. A strong president serves us all."

He said there was a "gathering sense of mistrust" as well as "real doubts about competence" growing out of the disclosures last fall that the Reagan administration had secretly sold arms to Iran and that profits from the sales had been diverted to the contras.

Mr. Wright portrayed the Democrats as eager to move forward on trade, farm policy and education despite what he said Mr. Reagan's reluctance to act aggressively on any of these issues.

"We welcome the administration's new words of concern about the trade deficit," Mr. Wright said.

"For three years we have impeded the president to take action."

Republicans generally praised the speech. Robert H. Michel of Illinois, the House Republican leader, said the speech was "vintage Reagan," adding: "I liked it. He had that old sparkle."

Bob Dole, the Senate Republican leader, said Mr. Reagan had taken "a big step in the right direction on Iran." He said Mr. Reagan's remarks would not end the controversy, "but it will help."

Senator Richard G. Lugar, Republican of Indiana, said: "This was not a lame-duck speech. It indicates we're back in action again."

Not all Republicans were equally enthusiastic, however. Representative Michael Leach of Iowa, a moderate Republican who sits on the House Foreign Affairs Committee, said, "I thought the tenor was absolutely right, but the substance was lacking."

■ U.S. Assurance Gained

Foreign Minister Uffe Ellemann-Jensen said Tuesday that the United States had assured Denmark that modification of the radar was not in violation of the ABM treaty.

The air force later changed its mind, and its early statement had been generally overlooked until recently.

In Denmark, the Socialist People's Party and the Left Socialist Party have been pushing the radar issue, calling for an independent commission to look into it. The larger Social Democratic Party, an opposition party that makes up about a third of the parliament, has been more cautious.

■ 5 Arab Countries Make Effort at Reconciliation

Reuters

KUWAIT — The leaders of five Arab countries from both moderate and radical camps met Wednesday to try to overcome differences as a spirit of reconciliation prevailed at the Islamic summit meeting here.

Sources said the leaders of Kuwait, Saudi Arabia, Jordan, Algeria and Syria met for two hours during a break in the meeting of the Islamic Conference Organization.

In another move to reduce inter-Arab tension, Mr. Assed met Wednesday with President Amin Gemayel of Lebanon for the first time in 13 months and said afterward that "we will multiply our efforts to overcome the Lebanese-Syrian difficulties."

Mr. Gemayel, in a speech to the conference, praised Mr. Assed for "extending a helping hand."

"Both of us have increased our efforts recently to pull Lebanon out of its troubles," he said.

Relations between the two leaders have been strained since Mr. Gemayel rejected a Syrian-brokered peace pact between Lebanese Christian and Moslem militiamen in January 1986.

One rift the meeting has made no apparent progress in healing is between Mr. Assed and the chairman of the Palestine Liberation Organization, Yasser Arafat.

Syria opposes his hold on the PLO and backs Lebanese Shi'ite Moslem militiamen fighting Palestinian guerrillas at refugee camps in Lebanon.

Irani Planes Attack 7 Cities in Iran

Reuters

MANAMA, Bahrain — Iraqi jets attacked at least seven Iranian cities, an oil-export terminal and two supercarriers Wednesday as one of Teheran's leaders hinted that a new Iranian ground offensive was imminent.

Iraqi resumed artillery bombardment of Iraqi border towns, from Basra in the south to Shushaymaniyah in the north, after a 24-hour lull in Iraqi air raids. The Iranians claimed they had killed or wounded another 1

New Inquiry Planned for Palme Case

Reuters

STOCKHOLM — The Swedish government faced with a growing dispute between the police and prosecutors seeking the killer of Prime Minister Olof Palme, yielded Wednesday to opposition pressure and announced a parliamentary inquiry into the case.

"We have agreed that a parliamentary inquiry should look into the circumstances of the investigation," Mr. Palme's successor, Ingvar Carlsson, said after meeting with the leaders of the opposition.

Earlier this week, all three leaders in the center-right opposition coalition called on Mr. Carlsson to set up a political inquiry after an argument broke out between Stockholm's police chief, Hans Holmer, and prosecutors assigned to the case.

Mr. Carlsson declined to comment on radio reports that a plan had been discussed by the party leaders to remove Mr. Holmer and the chief prosecutor, Claes Zeime, from the inquiry. Mr. Zeime is on leave because of illness.

Political sources said the new inquiry was a final attempt by Mr. Carlsson to stop the feuding.

They said the inquiry would be aimed at trying to restore the image of the country's police force, which has suffered badly from the public quarreling and the failure to find



Lisbeth Palme, the widow of Olof Palme, presenting a book to India's foreign minister, Narain Dutt Tiwari, after a ceremony in New Delhi in which a road was named after Mr. Palme, murdered 11 months ago.

the gunman who shot Mr. Palme to death 11 months ago.

The bickering intensified after the police descended on Sweden's Kurdish community and detained 20 persons suspected of having links with the extremist Kurdish Workers Party.

Mr. Holmer, who has consistently

In Indonesia, Questions on Length of Suharto's Rule

By Barbara Crossette
New York Times Service

JAKARTA — When President Suharto announced last fall that he would seek a fifth term in office in 1988, he focused attention on a question that cannot be publicly debated in Indonesia: How long can — or should — he stay in power?

"This president could have gone down in our history as a despot," said Slamet Bratanata, a former government minister, reflecting the opinion of those who think it is time for a change. "Instead we have the tragedy of a man becoming a hostage to power."

The head of Mr. Suharto's political party says there will be no discussion of succession until "after 1992," a year before the end of his fifth term.

By then, Mr. Suharto, whose power base rests on traditional Indonesian deference to kingship, a sophisticated political machine and the armed forces, would have been president for more than a quarter of a century.

Mr. Suharto, 65, has reshaped Indonesia, a once-volatile nation, into a country closer to his own image: withdrawn and conservative.

Some people who know him — a small circle that generally excludes foreigners — try to draw parallels between his personality and that of the U.S. president, Ronald Reagan.

Hours later, Mr. Zeime announced the release of the detainees and said the Kurdish trial had gone cold.

ly claimed the involvement of the Kurdish group in Mr. Palme's murder, said that three of the detainees were suspected of being accomplices in the killing.

Hours later, Mr. Zeime announced the release of the detainees and said the Kurdish trial had gone cold.



Suharto

ditional, and strongly and instinctively anti-Communist. He reads little.

But comparisons with other leaders have little meaning because Mr. Suharto's character is deeply rooted in the singular, mystical society of the island of Java, his birthplace.

"The president had only a few years of school," Mr. Bratanata said. "If you bring him parables from the sayings, he can understand you," he added, referring to Javanese puppet theater.

"It's not that we don't have enough parables and legends," he said. "It's just that they are getting out of date."

Mr. Bratanata is a member of the petition of SO group, named for a proposal in 1980 by a dissident organization of military officers, former civil servants and Islamic leaders. They asked for more democracy and alleged that Mr. Suharto was using the military for political purposes.

Mr. Bratanata is among those who believe that Indonesia must begin putting a new generation of leaders into place now if the country is to continue to develop. They question whether Mr. Suharto, whom Mr. Bratanata described as "a simple man," can complete the task.

A political scientist said of Mr. Suharto, "The president is very much the product of an old Javanese way of life." He was born into poverty and raised a neglected child in a large family. As president, he remains most sympathetic to the demands of his children and the needs of the rural poor.

"He is not like other Indonesian leaders who prepared themselves for world exposure," said the political scientist, who was once a student dissident. "He was not like Sukarno, who always knew that one day he would be leader of the country."

The example of former President Sukarno apparently had a strong negative effect on Mr. Suharto, in

donesian scholars say. Mr. Sukarno was a spellbinding nationalist and internationalist who helped to found the Nonaligned Movement and who was, as its leader, prepared to take on the industrialized nations. Mr. Suharto gradually pushed him from power in the mid-1960s, amid a violent purge of supposed leftists, many of them ethnic Chinese.

An old acquaintance of Mr. Suharto said the president preferred a cautious, step-by-step approach to government. He listens both to Western-educated technocrats and to Javanese spiritual advisers while waiting for things to happen "in their own time."

Mr. Suharto is credited by critics and admirers alike with remarkable achievements in stabilizing and developing Indonesia, a former Dutch plantation colony and now a country of more than 165 million people.

Secessionist movements have largely collapsed. There is self-sufficiency in food. Schools and health centers have opened and the rate of population growth has been cut.

But younger Indonesians, a significant number educated in the West, say they are alternately apathetic and impatient with government, which curbs political dissent and limits economic opportunity by failing to end corruption and bureaucratic inefficiency.

Mr. Bratanata said that the young, who sacrificed civil liberties in the name of stability and nation-

unity, now ask why, when the dangers of unrest seem to have receded, the limits of expression stay in place.

General-circulation newspapers are censored, often by their editors, to avoid being closed.

Some military officers are reported to be concerned about patronage as the president's family and friends build up lucrative monopolies in many areas of the economy. The activities of Mr. Suharto's three sons and one of his three daughters are now "beyond control," a businessman said.

Because Mr. Suharto has brought stability to Indonesia, he is backed by the United States, and this is beginning to alienate Indonesians, some say.

"Indonesians are basically anti-Communist," said Adi Sasono, an Islamic scholar. "But anti-Communism and pro-Americanism are two different things."

"Urban Moslem intellectuals, liberal and Americanized, are turning against the United States," he said.

Suriname Firm Is Attacked

Reuters

PARAMARIBO, Suriname — Guerrillas have forced the Suriname Aluminum Company to halt work at its aluminum refinery by destroying two power pylons and damaging a third, the official Suriname News Agency reported on Wednesday.

Afghan Rebels Say War Continues Despite Truce

By Steven R. Weisman
New York Times Service

PESHAWAR, Pakistan — Almost two weeks after the Afghan government declared a cease-fire, guerrilla leaders say that fighting persists throughout Afghanistan and that there has been no trace of a return by refugees.

Spokesmen for the insurgents and American and Pakistani officials said there also was no sign of any willingness by guerrilla leaders to share power with the Communists, as proposed early this month by the Soviet-backed Kabul government.

In Peshawar, a frontier city, and all along the Afghan border, guerrilla leaders have been touring refugee camps, making speeches and handing out leaflets to persuade Afghans not to take seriously the Jan. 15 Kabul cease-fire.

"We've been working day and night to tell them this is a trick," said Qariqul Rehman Seedi, chief spokesman for Hezbi-e-Islami, the largest guerrilla group. "Some of the refugees might have been hopeful at first that they could go back, but they now realize, and they are not going."

Nonetheless, American and Pakistani officials were said to be carefully watching events in Afghanistan after the Kabul initiatives, especially the declaration by the Communist leader, Major General Najibullah, favoring a political "reconciliation" in Afghanistan that would permit the withdrawal of about 120,000 Soviet troops.

"We have all agreed to probe Soviet intentions with prudence and patience," said Deane R. Hinton, the United States ambassador to Pakistan. He and other officials added that the United States and

Pakistan still would insist that Moscow first agree to withdraw its troops within a few months.

In addition to the call for a cease-fire, Kabul invited the leaders of "armed groups" to take part in running the country.

In speeches on Kabul radio,

General Najibullah pledged to grant amnesty to guerrilla leaders, preserve Islam as the national religion and set up a series of "reconciliation commissions" throughout the country with non-Communists in leadership roles.

But a few days after the cease-fire began, the seven major Afghan guerrilla groups held an unusual joint rally in Peshawar and rejected all the Soviet-Afghan proposals.

So far, the hard line against the Najibullah initiative appears to command virtually total support among rival guerrilla groups, whose mutual animosity in the past sometimes has led to fighting between them inside Afghanistan.

Insurgency leaders said that the fight against the Russians has continued throughout the country, with guerrillas attacking Soviet installations and convoys and Soviet soldiers responding with artillery, shelling and aerial bombardment.

"The cease-fire has never been in effect," said Syed Bahaudin Majrooh, director of the Afghan Information Center. He said that rebel attacks and Soviet retaliations had increased since Jan. 15 in Paktia Province and near the cities of Jalalabad, Kandahar and Herat, and in the southern outskirts of Kabul.

Other spokesmen said the insurgents had shot down at least one jet plane and destroyed tanks, and that while the Russians had retaliated they had mounted no major offensives.

Lagos Tells Embassies to Move by '89

Reuters

LAGOS — Nigeria has surprised diplomats in Lagos by asking them to move their embassies by 1989 to Abuja, the planned new capital, which is still in an early stage of construction, diplomats said.

In a brief note sent to embassies last week, the Foreign Ministry said the federal government would be moved to Abuja by 1989 and expected the foreign missions to be there by the same date. Abuja is about 500 miles (800 kilometers) northeast of Lagos.

The announcement appeared to

take the large diplomatic community in Lagos by surprise, as the deadline was far shorter than their previous estimates.

The multibillion-dollar Abuja project was begun in 1976 but the sharp decline in Nigeria's oil income and four changes of government have caused significant delays.

Lagos is close to the heartland of the Yoruba people, one of Nigeria's three dominant ethnic groups. Advocates of the project have contended that Abuja, which was historically inhabited by a tiny minority group, would be free of any tribal association.

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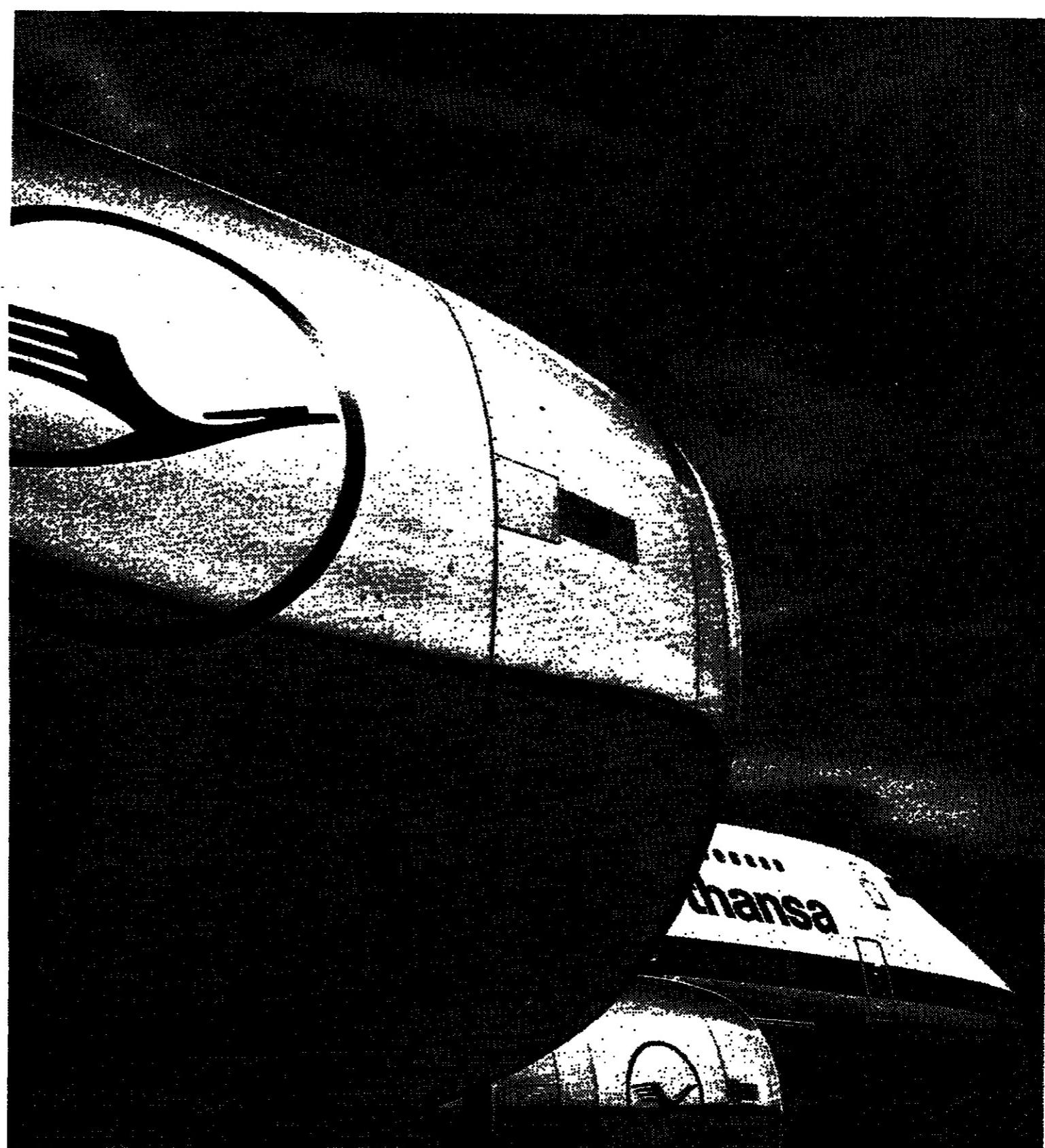
JEFF, DADDY'S BOSS SAID IT WAS OKAY FOR DADDY TO WORK AT HOME. YOU WON'T HAVE TO GO TO DAY CARE ANYMORE.

THAT WAY WE CAN GET TO KNOW EACH OTHER A LITTLE BETTER. DADDY'S GOING TO TAKE LOTS OF BREAKS AND HELP YOU WITH WHATEVER IT IS YOU DO. FILL UP YOUR DAY!

DON'T THAT BE FUN SON?

MOMMY! DADDY'S ACTING WEIRD! CUT IT OUT, RICK!

Every status has its symbol.



Lufthansa

OPINION

Coming Soon: The Next Hijacking Show

By A.M. Rosenthal

SAINT PETERSBURG, Florida — Next week an airplane will be hijacked and the passengers, many of them American, will be taken hostage.

If not next week, then the week after or next month or the month after that. But it will happen, for two reasons.

Terrorism, old in warfare, has been developed by nationalist and carefully nurtured religious fanaticism to the point where it is a weapon not simply of local resistance but of world importance. The terrorists have discovered that it is far more effective to select victims from the nationals of foreign powers rather than concentrate merely on their specific enemies.

Nothing gets them more attention and blackmail power than the horror of an airplane hijacking, not even the kidnappings taking place now in Beirut.

And most of the victim nations have shown that they crack when hostages are taken. The United States cracked to Soviet hostage-taking by trading a Soviet spy for an American newsmen. It delivered blackmail arms to Iran, sponsors of the killers of American marines.

Pakistan has yet to put hijackers captured five months ago on trial or even tell the world who they are.

Israel cracked by turning over 1,150 prisoners for three Israelis.

Italy let a hunted terrorist escape.

The French dealt almost openly in trading with terrorists for their hostages.

Anybody who says this contemptuously is a fool. We all know that were one of our family taken hostage, we would want only one thing of our government — rescue. But the surrenders do lead, bitterly, to more hostage taking and more pain for more families.

Once again the frightened faces of the victims will appear on television screens the world over. Once again the captors will orchestrate their own performance on the television stage, screaming and waving automatic rifles one day, presenting their demands and their grievances as winningly as they can the next.

Once more, disgusted viewers and harassed governments will say that the press, particularly television, is terrorism's tool and is endangering the lives of the hostages. Louder than ever will come demands for some form of regulation — outright censorship, barring reporters and cameras from the scene, or sweeping press self-restriction.

Television producers and correspondents and newspaper people talked it all over at a meeting here organized by the Poynter Institute for Media Studies, which owns The St. Petersburg Times, one of America's good newspapers.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

tor looking at a story before it is printed and using something called judgment.

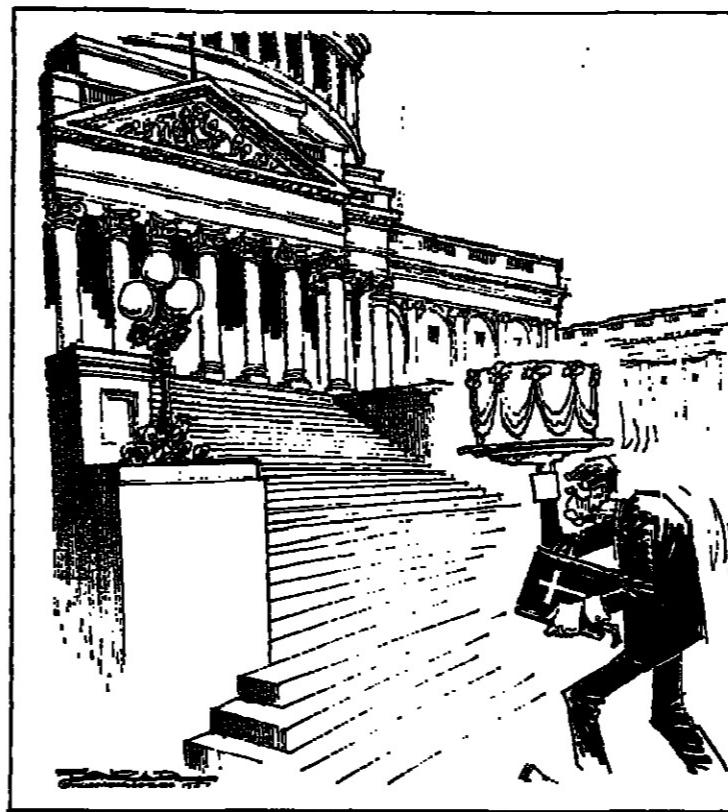
Terrorists feed hungrily on chaos and press-television mob scenes create the hysteria they seek. Television could help by using correspondents but just one or two camera crews, sharing film but not the reporting or commentary.

Almost all American television anchors and producers are skilled, experienced and serious and could hold down top jobs on newspapers; greater praise halts no editor. But sometimes the job of interviewing captors is turned over to television personalities who are simply entertainers and treat the captors as statesmen: "Do you have a message for President Reagan?"

These steps would counter some of the intricately planned manipulation by the terrorists. But television and press bashing will continue. It won't kill us.

Neither will it change the fact that the agonizingly drawn-out pain of captives and family has come not from television cameras and anchorpeople or newspaper reporters but from the faltering will of governments and the men you see waving their rifles and sneering at the world, next week or next month.

The New York Times.



LETTERS TO THE EDITOR

The Vatican, Israel and a Hard-Hitting Columnist

Regarding "Cardinal's Pilgrimage Covers Something Sinister" (Jan. 16):

The opinion column by George F. Will concerning Cardinal John O'Connor's recent visit to the Holy Land is offensive. In addition to vilifying the cardinal, Mr. Will makes vengeful criticism of the Vatican, the present pope, the Catholic clergy and the political policy of the Catholic Church. He compares with a thinly veiled comparison of the Vatican to Nazi Germany.

The tragic situation in the Middle East requires men of peace like Cardinal O'Connor. It is not helped by the opinions of angry and irresponsible men.

FATH M. COSSA,
Geneva

George Will's splendid essay makes many excellent points against the Vatican's refusal to recognize the Jewish state. How refreshing it is to see these words in print from a Gentile pen. Many a Jew would bring from confronting the Vatican on this point.

Meanwhile, as Mr. Will says, moving the U.S. Embassy to eastern Jerusalem would end the pretense that the unity of Israel's capital is negotiable, and would show the world that the United States is ready to stop appealing Arab opinion. His argument is that American interest in peace in the Middle East can best be served by a clear demonstration that Israel's greatest ally and sponsor no longer implicitly condones Arab propaganda to the effect that Israel's sovereignty is open to question. Without a

In the past I have admired what appeared to be the lucidity of Mr. Will's thought. Some of his columns have been minor masterpieces — for instance, one a few years ago on children with Down's syndrome. Here, I thought at the time, was a man of real humanity. What, then, is this sudden, rabid and illogical attack on the Catholic Church?

Mr. Will suggests that Jews are incapable of comprehending how the suffering in the Holocaust could be a "gift to the world." Yet if any of the world's peoples are well versed in suffering, it is the Jews, and in the Biblical context their sufferings are not seen as proof of the absurdity of the universe but rather as providential purifications necessary in the formation of a chosen people.

More shocking is the technique Mr. Will uses to criticize the Catholic Church: insinuation. This has traditionally been the weapon of the racist and the bigot. The Vatican has given Israel diplomatic recognition. Here is a policy that merits debate. But no. Instead we are told that behind the fact lurks something sinister.

And who is trying to resurrect the "hoary myth" of collective Jewish guilt? I have not heard anything like that from anyone in the Catholic Church. I don't believe I have heard it from anyone at all lately — except Mr. Will.

The column does a disservice to the Jewish state, because no cause is served by those who have an intelligent interest in the question, as embarrassing. Nor does it serve the interests of intelligent, logical

cal, loyal debate — without which no disputed questions, international or otherwise, can ever be resolved.

PEGGY RIGAUD,

Montpellier, France.

Three cheers for George Will! He has the guts to bring into the open the long history of the Vatican's malice toward the Jewish people.

Cardinal O'Connor's condescending tone and utterly incomprehensible remark that the Holocaust was a gift to the world reflect his church's politics.

There were Jews in Jerusalem 3,000 years before the first followers of Christ began calling themselves Christians.

EDWARD E. DORSON,

Gilleleje, Denmark.

Mr. Will concludes his criticism of Cardinal O'Connor and the "sinister" Vatican by saying: "Israelis have heard [the cardinal's] abbi before: He was only obeying orders." Apparently Mr. Will does not follow developments in Israeli politics closely. The head of the Israeli central command commented recently, about the shooting of a 14-year-old at a refugee camp, that the Israeli soldiers appeared to have "obeyed regulations with regard to opening fire."

Cardinal O'Connor's statement about the Holocaust being a gift of Judaism to the world is indeed absurd. However, to one familiar with the issues, it is clear that Mr. Will's object is not information.

His column is typical of pro-Israel rhetoric, in that its intent is clearly to arouse emotion with little reference to

The Great Picture on Page 4 Knocks Phones Off the Hook

By Joseph Laitin

WASHINGTON — Good journalism is a mirror of life around us. The question is often a matter of taste, sometimes of ethics, always of truth. How far an editor should go to protect the reader has been an ongoing in-house debate since the birth of the free press. I am not sure there is an answer, except to treat each incident separately.

The incident now at hand is a photo of the Pennsylvania state treasurer. R.

MEANWHILE

Budd Dwyer, who executed himself on camera during a press conference. The photo, taken at the split second of bullet impact, appeared in *The Washington Post* on Friday. The newsroom phones went off the hook. (*A different picture, showing Mr. Dwyer with the tip of his pistol in his mouth before he pulled the trigger, appeared on Page 2 of Friday's International Herald Tribune.*)

Mind you, there was not one single protest against the use of a photo the

same day on the front page showing the tragic aftermath of the Philippine farmers' demonstration near the presidential palace in Manila, where they were fired on by troops. The *New York Times*, which elected not to publish the offending suicide picture, also used that photo of the Manila massacre on page one.

There is a long history of editorial decision, or indecision, on when to print details or photos of news events that might turn the stomachs of readers. The two most often used arguments against publishing unpleasant details are that readers want to enjoy their breakfast and that children should not be exposed to sordid tragedy. The latter argument does have validity, but when you consider the violence tolerated every day on television you wonder about the agenda of those who present this argument.

Looking back over the years, I recall the photo that made Robert Capa famous: a loyalist rifleman in the Spanish civil war catching a fatal bullet in midair as he was leaping for cover. Editors said "Great picture" and printed it.

During the Budapest uprising there was a memorable picture of an impromptu sidewalk execution of some dreaded secret policemen, their eyes in wide-open surprise and hair straight up as if they had just received a thousand-volt charge. It was widely printed and hailed as great photo journalism.

It can be argued that those pictures were taken during war or revolution or uprising, which makes a difference. What appeared on page four of *The Post* was a suicide. That is true, and there most certainly is a difference. But I would suggest that the real reason why the other photos were viewed as great photo journalism, and not as horror pictures used for exploitative purposes, is that they came from distant places that, as everybody knows, are inhabited by foreigners. This was home, which calls for a different measuring rod for taste.

Maybe so, but there are other arguments to be made. For instance, was the picture essential to the story? There is a question of both ethics and taste involved in these decisions, and sometimes it is necessary for a conscientious editor to make a decision that forgoes taste.

This is a matter that has to be dealt with on a case-by-case basis, and I am not wise enough to offer any meaningful guidelines that would hold up over a period of time. In this instance it was a close call. But I can see how any two-listed editor, facing a deadline and an agonizing decision, would have felt that he had to go with it and apologize later, if he felt any pangs of conscience. And next time face the problem anew.

*The writer is ombudsman of *The Washington Post*, from which this is adapted.*



1987 good reasons to see Thailand this year

Majestic temples and magnificent elephants, glittering roofs and garlands of orchids, enchanting people and exotic cuisine... one could write a long book about the land they call Thailand (and many seasoned travellers have). And never has there been a better year to see Thailand than 1987. For this is Visit Thailand Year in the Land of Smiles.

Among the kaleidoscope of festivities planned for 1987 you should try to catch some of these:

Feb. 13-15. Chiang Mai Flower Festival. A million blooms, a thousand smiles. One of the unforgettable moments of your life.

April 13. Songkran Festival. A nationwide water festival celebrating the Thai Lunar New Year.

May 9-10. Bun Bang Fai Festival. "Bang!" indeed. Held in northeast Thailand, a fireworks show like no other you've ever seen.

Oct. 16. Royal Barge Procession. An armada of brilliant colours, pageantry and rare splendour not to be missed.

Nov. 5. Loy Krathong. Celebrated nationwide, this is Thailand's loveliest festival.

Nov. 14-15. The Elephant Round-Up. Ever seen 100 elephants enact a medieval War Parade? You will if you come to Surin in northeast Thailand for this extraordinary display.

Nov. 22. Bangkok Marathon. A major sporting event commemorating His Majesty the King's 60th Birthday Anniversary.

Dec. 15. Light and Sound Presentation. A glittering occasion to be held at the Royal Grand Palace and the Temple of the Emerald Buddha.

These are only a small selection of the truly stunning special events that mark 1987 as Visit Thailand Year — a year full of festivities, flowers and fireworks.

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SCIENCE

IN BRIEF

Antibodies Redesigned

By Harold M. Schmeck Jr.

New York Times Service

Drug Seen as Potential Contraceptive

BOSTON — A drug shown to be effective as an abortion pill also has promise as an oral contraceptive that may be more convenient, effective and safe than existing forms of birth control, government researchers say.

A new study showed that the experimental drug RU-486 was highly effective at controlling menstrual cycles in women and preventing pregnancy in female monkeys. There were no apparent adverse side effects, although past trials showed some women experienced excess bleeding.

"This is a preliminary study, but it suggests that there's a big potential for this drug as a contraceptive agent," said Dr. Lynne K. Nieman, who led the study at the National Institute of Child Health and Human Development. RU-486 is a synthetic steroid that blocks production of the hormone progesterone, needed to maintain a fertilized egg in the womb.

Fatty Acids Linked to Heart Disease

LONDON (Reuters) — Heart disease may stem from a deficiency of essential fatty acids in the diet and not excess consumption of saturated fats, a new study by scientists in Scotland suggests. A report on a study involving more than 6,000 people, published in the British medical journal *The Lancet*, said that people who had suffered from heart attacks or pains had less essential fatty acids in their body fats than other people. Essential fatty acids are contained in fish and vegetable oil, while saturated fats in the diet come mainly from animal food.

"Until now the evidence has appeared to suggest that heart disease is caused by eating too much saturated fat," said Michael Oliver, professor of cardiology at Edinburgh University. "Our research suggests it is the deficiency of polyunsaturated fat which is important."

Rare Animal Rediscovered in Brazil

NEW YORK (AP) — The thin-spined porcupine, feared extinct, has been rediscovered in Brazil's rapidly disappearing Atlantic coastal forest. The animal, *Chaetomys subspinosus*, is about the size of a small cat and is covered with soft, brown spines that resemble the bristles of a broom but are more flexible, according to Russell Mittermeier, vice president of the World Wildlife Fund-U.S.

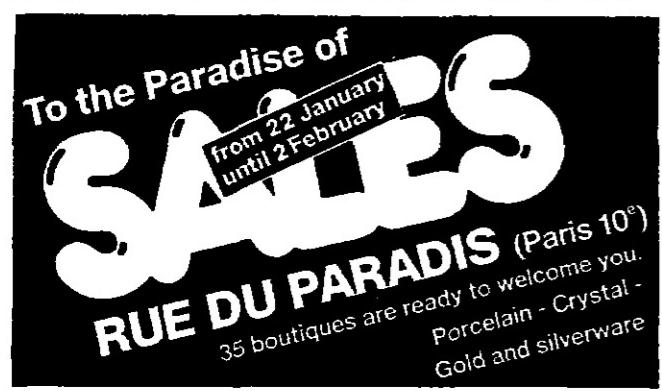
The animal was first described in 1818 and last seen in 1952. Researchers know so little about it they cannot even be sure that it is a true porcupine, Mittermeier said. "The scientific interest of the beast is that no one is sure what it really is," he said.

U.S. Drinking Habits Show Shifts

NEW YORK (NYT) — About two-thirds of adult Americans drink alcoholic beverages regularly, but 10 percent of the drinkers down half the total alcohol, according to a new study. In addition, the age at which people begin to drink is falling: "In 1984 more than 30 percent of high school seniors reported having tried alcohol by age 13," according to the Statistical Bulletin of the Metropolitan Life Insurance Co.

Nationwide, Americans over 13 drank beverages containing an average of 2.65 gallons of alcohol in 1984. Consumption was highest, 5.34 gallons a person, in Washington, D.C., although purchases of low-priced liquor by non-residents accounts for part of that. Consumption was lowest in Utah, at 1.53 gallons a person.

Since 1968, beer has been the main form of alcohol consumed in the country, and 51 percent of alcohol consumed in 1984 was in beer.



ANTIBODIES, the most familiar of the body's defenders against infectious disease, are being drafted into new roles.

Antibodies are being rebuilt by scientists who hope to use them for slicing and redesigning proteins, the body's most varied and important substances, for poisoning cancer cells and for performing other roles that nature never contrived.

"If we can harness this vast array to do chemical work," said Dr. Richard A. Lerner, director of the Research Institute of Scripps Clinic, La Jolla, California, "antibodies will take on an important new dimension in biology and chemistry."

An antibody capable of cutting a protein, for example, might be aimed at the protein coat of a virus. Such antibodies might be injected in a virus-infected patient to chew up the viruses and halt the infection.

Emerging strategies in the exploration now under way include: the production of antibodies that are hybrids between mouse and human; of antibodies armed with potent cell poisons to send as guided missiles against cancer cells; and of antibodies of radically new design that may prove more efficient or easier to produce.

Antibodies, Y-shaped proteins less than a millionth of an inch long, are the body's defensive guided missiles. They seek out targets with incredible precision among the myriad substances in the body. A single antibody-producing cell can make 2,000 a second to alert the defense system and help destroy an invader.

Enzymes, the chemical workhorses of the body, have innumerable functions, including cutting things apart, pasting them together or changing them in various other ways. Putting their functions into antibodies, researchers say, could create a new scientific tool of great potential power.

Two scientific teams, those of Dr. Lerner and of Dr. Peter G. Schultz of the University of California, Berkeley, have demonstrated, in different ways, that an antibody can function as an enzyme.

The development of enzymatic antibodies could have even broader potential, both as a scientific tool and as a way of making proteins that have never existed before.

"Being able to modify proteins in a non-natural way is a very important goal for both chemists and biologists and antibodies might let us do that," said Dr. Schultz.

Attacking Proteins With Rebuilt Antibodies

Proteins are among the main structural and functional substances of the body; they are major ingredients in all living tissues and indispensable factors in the body's countless chemical reactions that go on continuously from conception to the dissolution that follows death. Antibodies and enzymes are themselves specialized proteins.

Most of the work involves monoclonal antibodies. These are antibodies grown from specifically chosen clones of cells. All the antibodies produced from any single such clone are identical. Ordinary antibodies are much less uniform.

An antibody can distinguish easily between two different viruses or two different structural features on the same virus, different human blood types, different proteins and many other even more subtle differences. By coupling with its target, the antibody does not ordinarily kill it, but rather activates a barrage of defensive actions by other elements of the immune system.

While enzymes often serve the body by cutting things apart, they are actually biological catalysts that speed the pace of chemical reactions. Something that might not happen in 100 years without an enzyme can be done in less than a second with one.

A natural, uncatalyzed, chemical reaction goes in two directions, one of which is toward a more stable product than the other. In time the stable product wins out. A catalyst does not change the chemical reaction but permits it to go rapidly to the stable form.

Between the two states is an unstable form of the substance involved in the reaction. Enzyme-like antibodies would home in on this transition state and couple with it, permitting the reaction to go toward the stable side rapidly.

But the transition state is elusive.

Therefore the research strategy at Scripps has been to stabilize its chemistry, make a stable counterpart in the laboratory and inject this into laboratory animals so that they produce antibodies to it.

Independently, the scientists at Berkeley discovered that one particular antibody can act as an enzyme in cutting a common organic chemical called a carbonate.

Some natural enzymes that also cut the simpler substances used in the experiments will cut proteins, suggesting that protein-cutting antibodies can be developed.

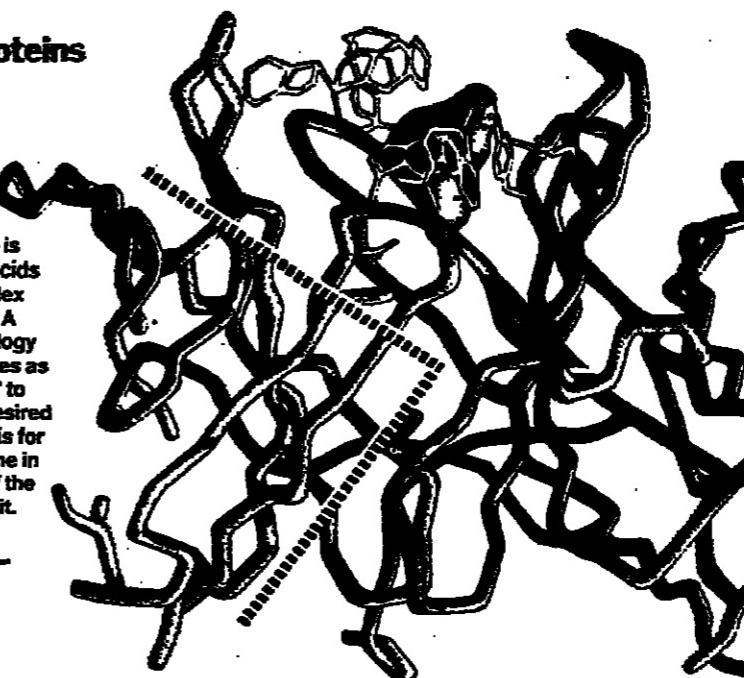
Dr. Alfonso Tramontano, Dr. Kim D. Janda and Dr. Lermer, all of the Scripps Clinic and Research Foundation, reported experiments

last fall in the Proceedings of the National Academy of Sciences indicating that enzymatic action by antibodies was possible. They reported success in actually doing it in Science in December. Dr. Schulz, Dr. Scott J. Pollack and Dr. Jeffrey W. Jacobs reported their research in the same issue and, more recently, have designed another antibody that has enzymatic action. They are also trying to attach synthetic catalysts to natural antibodies.

The two groups have not yet cut proteins, but expect to be able to do so in the future. "We started with a simpler, easier reaction to see if we could do it," Dr. Schulz explained.

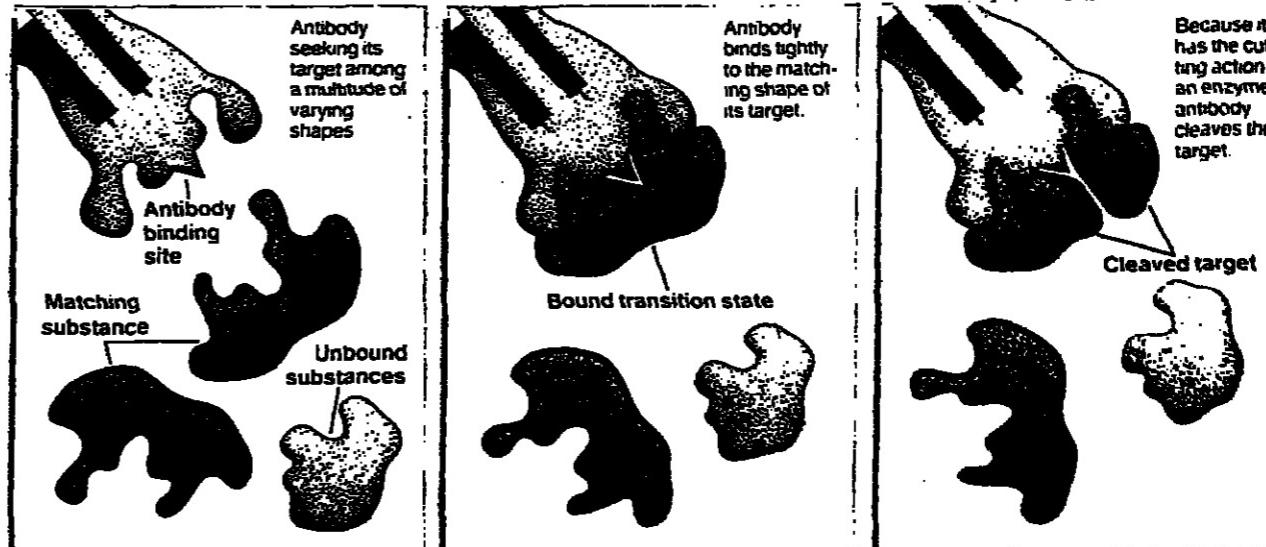
An enzymatic antibody designed to attack a particular kind of blood clot might be used to cut up such a clot. Such an enzyme might be able to relieve the arterial blockages that sometimes cause heart attacks.

It has been relatively easy to pro-



If the antibody is designed to act like an enzyme it will complete its action by changing the protein in a preordained way. For example, such an antibody could cut the surface protein of a virus, rendering it harmless.

How Antibodies Might Bind to a Target and Cut It



hybrids or not, may allow scientists to design antibodies virtually to order.

The first report of producing mouse-human hybrids was from a team of collaborating scientists at three institutions, Dr. Morrison from Columbia, Dr. M. Jacqueline Johnson and Dr. Leon Herzenberg of Stanford University School of Medicine and Dr. Vernon T. Oi of the Beckton Dickinson Co.

Plans are in progress to test such hybrid antibodies in treating cases of multiple sclerosis, colon cancer and perhaps other diseases.

For several years, scientists have experimented with use of antibodies directed as precisely as possible against a patient's cancer tissues. Some of these have killed cancer cells in the laboratory but have usually been much less effective in patients.

Paris Fashion

Saint Laurent, the Giant

By Hebe Dorsey

PARIS — Nothing like a nice surprise! The fashion press expected to all but bury Yves Saint Laurent, whose talent lately had seemed distinctly on the wane. Instead, the designer demonstrated Wednesday that when he wants, nobody can touch him.

In a beautifully edited and restrained collection, Saint Laurent proved once again to be the giant in his field. His fans, including Catherine Deneuve, Paloma Picasso and — in a rare fashion appearance — Danielle Mitterrand, heaved a big sigh of relief and applauded gratefully. Also there was the designer Claude Montana, acknowledged leader of French ready-to-wear, who was moved to tears.

This takes nothing away from the new name in Paris, Patou's Christian Lacroix, but it is as if the two designers were standing at either end of the fashion spectrum. Lacroix has the youth, the enthusiasm and all kinds of unexplored avenues before him. Saint Laurent has said and done practically everything and all he has to do now is say it again, in his own pure, perfected hand. But Lacroix is the future.

After the show, the designer said that he had had fun with this collection, which was also very young — an element that had been missing from recent collections. This was achieved by revamping the proportions, strengthening shoulders and considerably shortening skirts until they became miniskirt mini.

Saint Laurent stayed away from the excessiveness of Paris trends with clothes that were perfectly flat and wearable, especially the strong-shouldered suits. These had a long, neat jacket with two big pocket flaps sewn sideways. They turned up in every possible fabric, from tiny checks to crisp linens and in every color, from gray to a bright purple.

But beautiful as they were, they were not the most exciting part of this show. As for pantsuits, they were frankly boring. In short, the daytime clothes at Saint Laurent's, including the chemises and tunics, belonged to the new, upgraded Saint Laurent Rive-Gauche, which Pierre Bergé, Saint Laurent's partner and business manager, said was definitely going to happen. This was confirmed by Léon Clignan, the French industrialist who is the largest stockholder of Saint Laurent Rive-Gauche. Bergé denied that the house was about to abandon couture to which he, said,



Jacques Lemoine

Saint Laurent: Short skirts, irresistible eveningwear.

Saint Laurent is "viscerally attached."

The story was in the irresistible evening wear, which achieved a lot of volume without resorting to ruffles or petticoats. The secret was in the cut, and even chiffon usually limp and lifeless, was shaped and controlled with great expertise.

It was a flat-chested look, with long-waisted dresses spreading out into a deep flounce, often dipping in the back. The front was quite naughty, cut all the way to the crotch. Some miniskirts had hem circles with stiff black bows. The prettiest were made of body-conscious, waffled chiffon, decorated with tiny wavy ruffles. The feeling was very little-girl-out-to-a-party, especially when Saint Laurent circled the hips of a printed chiffon mini with wide satin ribbon and a big side bow. The shorter dresses were newer and more fun than the long ones.

Saint Laurent, who did the bustle well before anybody else, did not bother with elaborate constructions, but just hinted by putting big bows at the bottom of some dresses. The flowered taffeta gown with a big side pouf was his only concession to current Paris trends.

Fabrics included soft chiffons often mixed with stiff lace. Crepe was used for long, draped gowns that looked very familiar, even if Saint Laurent sometimes mixed two colors in the same dress. Colors were refined with all kinds of subtle mélange — such as purple and salmon or red, pink and shrimp. Khaki, used for a chiffon evening dress, was new and sophisticated.

At Lanvin's, Maryl Lanvin, the wife of the family's son and heir, Bernard, has taken over with honest results. Although largely influenced by Lacroix's poufs, she is moving toward her own pretty and feminine signature. A beautiful woman who travels in high society, Lanvin knows that women dress — or should dress — for men. Hence the soft piqué dress, topped by a delicate pearl belt and short and sexy strapless dress exposing a lot of bosom.

Lanvin also displayed an unexpected sense of humor in a dress of red and green satin, its bodice overflowing with a huge bouquet of anemones. Hats were mad concoctions, with some Edwardian-looking layers of black tulle.

Guy Laroche, who counts Bernadette Chirac and Claude Pompidou among his fans, is a nice man who makes nice, uncomplicated and often quite pretty clothes. There is nothing in this collection that could not go on a state visit, from the trumpet-shaped, long-jacketed suits to the gently plumped ones. Evening gowns were quite graceful, especially the gently pleated ones. Occasionally, Laroche threw in some mad, red-and-black canary ruffles.

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NYSE Most Actives					
Val.	Hign	Low	Last	Chg.	Cbs.
Bettis	22,672	276	274	+ 26	+ 12
SouthCo	21,575	286	284	+ 26	+ 12
AT&T	21,071	254	252	+ 26	+ 12
IBM	20,950	254	252	+ 26	+ 12
AMCI	22,651	156	154	+ 26	+ 12
Sher-Cor	21,907	374	372	+ 26	+ 12
Motor	18,229	126	124	+ 26	+ 12
America's	18,154	356	354	+ 26	+ 12
Textron	17,119	257	255	+ 26	+ 12
U.S. G.	16,923	256	254	+ 26	+ 12
Boeing	16,823	256	254	+ 26	+ 12

Market Sales					
NYSE 3 sum. volume	High	Low	Close	Prev.	Chg.
148,995,000	125,925	125,825	125,811	125,811	+ 12
NYSE prev. com. close	125,507,010	125,405	125,391	125,391	+ 12
Advanced, com. close	125,229,000	125,125	125,121	125,121	+ 12
Prev. OTC 4 sum. volume	130,881,200	125,625	125,624	125,624	+ 12

NYSE Index					
Composite	High	Low	Close	Prev.	Chg.
Industrial	122,94	122,85	122,81	122,81	+ 12
Transport	122,94	122,85	122,81	122,81	+ 12
Utilities	122,93	122,84	122,81	122,81	+ 12
Finance	122,93	122,84	122,81	122,81	+ 12

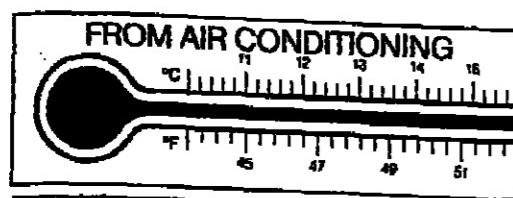
Wednesday's NYSE Closing					
Via The Associated Press					

AMEX Diary					
Advanced	Declined	Unchanged	Total Issues	Prev.	Chg.
214	251	217	582	214	+ 12
215	252	218	582	215	+ 12
216	253	219	582	216	+ 12
217	254	220	582	217	+ 12
218	255	221	582	218	+ 12

NASDAQ Index					
Composite	High	Low	Close	Prev.	Chg.
Industrials	120,27	120,27	120,27	120,27	+ 12
Finance	120,27	120,27	120,27	120,27	+ 12
Utilities	120,27	120,27	120,27	120,27	+ 12
Banks	120,27	120,27	120,27	120,27	+ 12
Trans.	120,27	120,27	120,27	120,27	+ 12

AMEX Most Actives					
Vol.	Hign	Low	Close	Prev.	Chg.
Trnld of N.Y.	120,27	120,27	120,27	120,27	+ 12
Wincs	120,27	120,27	120,27	120,27	+ 12
Belver	120,27	120,27	120,27	120,27	+ 12
Tech	120,27	120,27	120,27	120,27	+ 12
AFRIC A	120,27	120,27	120,27	120,27	+ 12
Amtech	120,27	120,27	120,27	120,27	+ 12
Artif	120,27	120,27	120,27	120,27	+ 12
Emt	120,27	120,27	120,27	120,27	+ 12
Entel	120,27	120,27	120,27	120,27	+ 12
Hold	120,27	120,27	120,27	120,27	+ 12
Int'l	120,27	120,27	120,27	120,27	+ 12
Nat'l	120,27	120,27	120,27	120,27	+ 12
NYTma	120,27	120,27	120,27	120,27	+ 12
SAT	120,27	120,27	120,27	120,27	+ 12

NYSE Diary					
Close	Prev.	Chg.	Advanced	Declined	Unchanged
112	112	+ 12	112	112	112
113	113	+ 12	113	113	113
114	114	+ 12	114	114	114
115	115	+ 12	115	115	115
116	116	+ 12	116	116	116
117	117	+ 12	117	117	117
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146	146	+ 12	146	146	146
147	147	+ 12	147	147	147
148	148	+ 12	148	148	148
149	149	+ 12	149	149	149
150	150	+ 12	150	150	150
151	151	+ 12	151	151	151



THURSDAY, JANUARY 29, 1987

WALL STREET WATCH

Individual Investors Begin Chasing After the Bull

By VARTANIC C. VARTAN
New York Times Service

NEW YORK — The small investor is coming back. Tempted by a bull market streak that is verging on a record, Wall Street's retail customers are stepping out on their own to buy stocks at a faster clip than they have for several years. The growing enthusiasm is nowhere near the frenzied activity of the go-go days of past decades. In fact, so far the rise of the Dow Jones industrial average this year has been fueled by institutional investors who have long dominated the market.

Individual investors have clearly given the market an extra boost, however. And a number of stockbrokers have described these investors as nibbling at low-priced stocks while continuing to pour more money into stock mutual funds.

"We see speculative activity heating up a bit, but it certainly is nowhere near the boiling point," said Leslie Quick, 3d, president of Quick & Reilly, a leading discount brokerage firm. December was the firm's biggest month ever. And so far in January, Mr. Quick said, volume is running 20 percent higher.

"Our gross revenues in over-the-counter stocks are running more than double last year's rate," said Peter DaPuzzo, director of retail equity trading at Shearson Lehman Brothers. "Our volume — 60 percent retail and 40 percent institutional — is far above normal. But we are not yet in the wild-and-woolly stage in over-the-counter activity."

The over-the-counter market, where small investors have traditionally looked for fast gains, was a relatively poor performer in 1986, when blue-chip stocks captured investors' fancies. But in January, this sector has rebounded sharply.

Early this year, Shearson Lehman assembled a list of "fallen angels," including such over-the-counter issues as Cronus Industries, Apogee Enterprises, and Bay View Federal Savings & Loan, as suggested trading stocks. "We had a tremendous response from retail investors," Mr. DaPuzzo said.

Retail investors' greater interest in individual stocks is not curbing the boom in equity mutual funds, either. Net sales of the eight equity mutual funds of T. Rowe Price Associates this month are 23 percent ahead of the comparable December period, in part because of the inflow of funds for Individual Retirement Accounts.

AT THE same time, mutual fund investors are switching out of safer money-market funds into their equity counterparts. "Our share owners have switched out of money-market funds to the tune of \$113 million this month, and \$11 million of this sum has been exchanged for shares of our equity funds," said Steven E. Norwitz, a vice president at T. Rowe Price. "Nearly half of that money went into the New Horizons Fund, which invests in small growth companies."

Merrill Lynch, the largest American brokerage firm, reported that both its cash-account and margin-account customers bought more shares than they sold during the first week of 1987. These investors were buying approximately 100 shares for every 70 shares they sold. But since that opening week, clients have switched to the sell side, disposing of about 100 shares for every 70 shares purchased. To some market watchers, this lack of clear commitment indicates that the public remains skeptical that stock prices will continue to climb without at least a temporary setback.

"People like what they are seeing in the stock market, but they also feel a lot of uncertainty," said John DeLong, manager of Merrill Lynch's branch office in Sacramento, California. "Our volume in January is up 15 percent or 20 percent over last year, but the buying and selling is pretty evenly balanced. Some customers are still taking their capital gains. But others are asking, 'How long should I hold on?'"

"We have seen some buying of low-priced stocks, but as a general rule, clients are staying with quality," said Charles Cameron, who manages a Portland, Oregon, office for Smith Barney, Harris Upham & Co. "There exists a certain excitement about the market, but you have to realize that people in Oregon are more the show-me type."

And what are retail customers buying?

"The public is buying big-name stocks like General Electric and Coca-Cola, and some people are picking up low-priced over-the-counter issues

See STOCKS, Page 13

Currency Rates

Cross Rates		Jan. 28					
Amsterdam	1.97%	E. 1.988	D. 1.988	F. 2.318*	G. 1.938*	S. 1.928*	Y. 1.924*
Australia	1.675%	D. 1.624	F. 1.625	G. 2.008*	H. 16.925	S. 1.625	Y. 1.625*
Frankfurt	1.75%	2.242	—	1.482	—	24.775	24.625
London (B)	1.75%	—	2.242	1.725	1.6425	—	1.725
Milan	1.8125	1.7045	7.2325	1.7545	1.6985	2.371	2.25
New York (C)	0.6484	—	1.725	1.725	1.725	—	1.725
Tokyo	5.975	5.148	2.204	4.887	2.925	14.114*	3.925
Zurich	1.8294	2.2322	8.431	1.8294	1.8294	—	1.8294
1 ECU	1.6788	1.7588	2.1258	1.6788	1.6788	74.465	4.067*
1 SDR	1.288	0.8887	2.2724	1.7675	1.6913	2.028	1.888
<i>(*) Commercial trade rates. All rates needed to buy one pound (or 100 francs) of U.S. dollars. N.G.: not quoted; N.A.: not available.</i>							
<i>(**) To buy one pound: 164.5335.</i>							

Other Dollar Values

Currency per U.S. dollar	Currency per U.S. dollar	Currency per U.S. dollar
Argentina	1.000	1.000
Australia	1.6221	1.6221
Austria	1.234	1.234
Brazil	12.44	12.44
India, ru.	26.72	26.72
Ireland	16.18	16.18
Japan	1.4755	1.4755
China, yuan	2.7275	2.7275
Denmark	4.7255	4.7255
Egypt, pound	1.459	1.459
Malta, lira	2.523	2.523
Switzerland	1.000	1.000
Thailand	1.000	1.000
U.S. Sterling	1.000	1.000

Sources: Interbank Bank (Brussels); Banque Commerciale Nationale (Antwerp); Banque Internationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); DAI (Asian, Ryukyu, Okinawa); Gestcom (Trade); Other data from Reuters and AP.

Interest Rates							
Eurocurrency Deposits							
<i>Jan. 28</i>							
United States							
1-month	D. 1.045	S. 1.045	Sh. 1.045	Fr. 1.045	ECU 1.045	SDR 1.045	Y. 1.045
2-month	1.0475	1.0475	1.0475	1.0475	1.0475	1.0475	1.0475
3-month	1.0475	1.0475	1.0475	1.0475	1.0475	1.0475	1.0475
4-month	1.0475	1.0475	1.0475	1.0475	1.0475	1.0475	1.0475
1-year	1.0475	1.0475	1.0475	1.0475	1.0475	1.0475	1.0475
Asian Dollar Deposits							
<i>Jan. 27</i>							
1-month	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%	6.4%
2-months	7%	7%	7%	7%	7%	7%	7%
3-months	7%	7%	7%	7%	7%	7%	7%
1-year	7%	7%	7%	7%	7%	7%	7%
U.S. Money Market Funds							
<i>Jan. 28</i>							
Merrill Lynch Ready Assets	5.98						
28-day average yield:	5.98						
Tel Aviv Interest Rate Index:	5.97						
Source: Merrill Lynch, Tel Aviv.							
Key Money Markets							
<i>Jan. 28</i>							
United States	Class	Prev.	Swiss	French	ECU	SDR	Yen
Discount rate	5%	5%	2.0%	2.0%	2.0%	2.0%	2.0%
Call money	4%	4%	2.5%	2.5%	2.5%	2.5%	2.5%
Commercial paper	5.5%	5.5%	3.5%	3.5%	3.5%	3.5%	3.5%
Cash paper 90-175 days	5.5%	5.5%	4.5%	4.5%	4.5%	4.5%	4.5%
3-month Treasury bills	5.5%	5.5%	4.5%	4.5%	4.5%	4.5%	4.5%
6-month Treasury bills	5.5%	5.5%	4.5%	4.5%	4.5%	4.5%	4.5%
2-month CDs	5.5%	5.5%	4.5%	4.5%	4.5%	4.5%	4.5%
3-month CDs	5.5%	5.5%	4.5%	4.5%	4.5%	4.5%	4.5%
Japan							
Discount rate	3	3					
Call money	4%	4%					
Commercial paper	4.5%	4.5%					
2-month interbank	4.5%	4.5%					
3-month interbank	4.5%	4.5%					
West Germany							
Discount rate	3	3					
Lombard rate	4.5%	4.5%					
Overnight rate	4.5%	4.5%					
1-month interbank	4.5%	4.5%					
3-month interbank	4.5%	4.5%					
France							
Intervention rate	11	11					
Call money	11%	11%					
Commercial paper	11%	11%					
7-day Treasury bills	11%	11%					
United Kingdom							
Discount rate	11	11					
Call money	11%	11%					
Commercial paper	11%	11%					
7-day Treasury bills	11%	11%					
Luanda, Paris and London official rates: Hong Kong and Zurich commercial and clearing rates: New York foreign market rates. All rates in U.S. \$ per ounce.							
Source: Reuters.							

Gold

	A.M.	P.M.	SDR
Hong Kong	415.5	415.5	+12.5
Luxembourg	415.5	415.5	+12.5
Paris (12.5 Kilo)	415.5	415.5	+12.5
London	415.5	415.5	+12.5
New York	41		

BUSINESS ROUNDUP

Vienna Bank Got Guinness Payment

Reuters

VIENNA — An Austrian bank, Zentralsparkasse und Kommerzialbank, Wien, said Wednesday that it had received \$254,000 (about \$390,000 at current rates) as compensation for losses from an investment in Guinness PLC shares and that it was investigating the circumstances of the payment.

Guinness, the British beverage giant that is at the center of a major financial scandal stemming from its takeover last spring of Distillers Co., admitted Jan. 16 that it had been involved with Bank Leu AG of Switzerland in an illegal share-buying operation last spring.

The operation would have driven up the price of Guinness shares and

made the offer of cash and shares to Distillers more attractive.

Under British corporate law, it is illegal to offer financial inducements, such as indemnities against loss, as a means of manipulating a company's stock prices.

A spokesman for Zentralsparkasse, Helmut Roubin, said the payment to his bank followed a short-term investment in Guinness shares last spring.

The transaction was in no way illegal or improper according to the provisions of Austrian law and the bank was not aware that the matter possibly constituted a breach of any British law," Mr. Roubin said, reading from a statement.

He said that "the volume of the investment was well within the normal range of share transactions for the bank's share portfolio. It is,

however, correct that subsequently a payment of 254,000 sterling was made by Guinness to the bank."

He said that Zentralsparkasse, a leading Austrian savings bank, sold the shares a few weeks later at a loss and that the Guinness payment was a "compensatory payment."

Zentralsparkasse had informed the authorities in Britain and Austria of the payment, according to Mr. Roubin. The share transactions had been carried out on the London Stock Exchange.

Results of the inquiry, which could be completed next week, will be made available to British and Austrian authorities, Mr. Roubin said. He said that the payment had not been returned to Guinness and that it would be decided next week whether to do so. That probably would be done if British authorities say that the transaction was illegal.

Kodak to Take Higher Charge

Reuters

ROCHESTER, New York — Eastman Kodak Co. said Wednesday that it would take a higher-than-expected charge of about \$1 a share on 1986 earnings for its program to reduce the work force by 10 percent.

It previously estimated a four-quarter charge of \$16 million, or 7 cents a share, for the program. The company reported earnings of \$2.8 billion in the fourth quarter of 1985.

Kodak attributed the higher charge to "the large number of employees leaving the company in the fourth quarter and a larger-than-anticipated departure of higher salaried people."

Toshiba's High-Tech Plans Get Mixed Analysts' Reviews

By Linda Sieg

Reuters

TOKYO — Toshiba Corp., buoyed by its recent successes in the semiconductor field, plans to move further from its traditional reliance on heavy electrical equipment and into information processing and telecommunications. But analysts are divided over whether the strategy will work.

"People said we were weak in semiconductors but we did the research and development and capital investment and became strong," Toshiba's president, Sugichiro Watari, said in recent interview.

"Now we're doing the same for information processing and telecommunications and we expect the same results."

In 1983, Toshiba became the first company to mass-produce the one-megabit dynamic random access memory, or DRAM, chips, that heralded the new generation of computers. The move boosted Toshiba to third place worldwide among microchip makers.

That success improves Toshiba's prospects for the future, industry analysts say. But they point out that the company faces problems on two fronts: its relative lag in key technological areas and the battering its profits have taken from the strong yen.

Mr. Watari conceded that the yen's rapid appreciation had made the company's goals more difficult to reach. Toshiba has forecast that group net profit will plunge to 32 billion yen (\$213 million at current

exchange rates) in the year ending March 31, a 46 percent drop from the year before.

He said, however, that Toshiba would keep research and development spending at about 6.6 percent of sales to maintain its thrust into new areas.

Of that amount, about a third will be spent on development of very large-scale integrated, or VLSI, circuits, with artificial intelligence and biotechnology the other priorities over the next decade.

But analysts said Toshiba seriously lags its competitors in several basic areas.

"They don't make big computers, they don't make big telecommunications gear, so in core computer systems, they're still a bit lightweight," said Peter Rawle, of SBCI Securities (Asia) Ltd.

Toshiba is recognizing these gaps, and has tried to plug them by forming joint ventures with foreign companies. In office automation and telecommunications, for example, it has linked up with Olivetti SpA of Italy and Sun Microsystems Inc. American Telephone & Telegraph Co. and ITT Corp. of the United States.

And in November, Toshiba announced a pact with Motorola Inc. of the United States in an effort to get advanced microprocessor technology.

"Fujitsu Ltd., Hitachi Ltd. and NEC Corp. are all developing 32-bit microprocessors on their own," a Japanese analyst said. "But Toshiba has to rely on Motorola."

Merc to Increase Futures Margins

United Press International

CHICAGO — The Chicago Mercantile Exchange said Tuesday that it would increase margin requirements for futures contracts based on Standard & Poor's 500-stock index. The move reportedly was made in response to Friday's volatile stock market trading.

In February the margin, the amount of cash traders must put down for each contract, will be increased to \$10,000 from \$6,000 for speculators and to \$5,000 from \$2,500 for hedgers.

Thompson Ad Agency Fires New Chairman

New York Times Service

NEW YORK — Less than a month after becoming chairman of J. Walter Thompson Co., the advertising agency, Joseph W. O'Donnell has been discharged, apparently because he was involved in outside discussions that could have resulted in the agency's parent company going private.

Mr. O'Donnell, who had been chief executive officer of the agency since March and who became chairman on Jan. 1, was dismissed Friday. Don Johnston, the chairman and chief executive of the agency's parent, JWT Group Inc.,

has reassumed Mr. O'Donnell's jobs, the JWT Group announced later.

In a statement, JWT said only that Mr. O'Donnell had "left the company."

But reports from inside the company indicated that Mr. O'Donnell, after conversations with an investment banking firm, had wanted to take JWT private by means of a leveraged buyout, and wanted to take Mr. Johnston's position.

Mr. O'Donnell was let go, according to a source close to the board, because the outside board

members concluded that he had abrogated his responsibilities by talking to outsiders before talking to the board or the company's management.

Mr. O'Donnell said Sunday that he had informed the company about his meeting with the outside financial people as soon as possible. He said the Jan. 15 meeting was held at the suggestion of the investment bank, which he identified as the Claremont Group Ltd.

Referring to Mr. Johnston, he said, "I didn't ask for his departure."

COMPANY NOTES

Chemical Waste Management, an Illinois company that is mainly owned by Waste Management Inc., has signed an agreement to acquire Waste Technologies Industries, an Ohio corporation, for undisclosed terms.

Courtaulds PLC is raising its bid for Fothergill & Harvey PLC, valuing the company at \$28.4 million (\$58.7 million). Nine Courtaulds ordinary shares are being offered for 11 Fothergill & Harvey ordinary shares, or 300 pence in cash or Courtaulds loan notes for each Fothergill share.

Duke Power Co. said its auditors had qualified its opinion on the company's 1985 financial statements and expected to qualify its opinion on the 1986 financial statements. The action is subject to the outcome of appeals to the North Carolina Supreme Court to allow the utility to recover about \$230 million of costs from a canceled nuclear power plant.

Genesco Inc. agreed to sell its Canadian operations for undisclosed terms to a corporation led by the investor Michael Graye and including the Royal Bank of Canada. The division's shoe manufacturing, retail and wholesale operations had sales of about \$85 million for the fiscal year that ended Jan. 31, 1986.

Hausi AG, the wholly owned chemicals subsidiary of Veba AG, made a record but undis-

closed profit last year and plans to continue a policy of strong expansion, said the management board chairman, Karl Heinrich Krauch. He said that Huels' profit transfer to Veba would probably exceed the \$6.4 million Deutsche marks (\$47.7 million) paid in 1985.

IBG-Bioteknics Inc., a subsidiary of the French government chemicals group Rhône-Poulenc that specializes in biotechnology, has established a site at Savage, Maryland.

Josephson International Inc.'s board has authorized the purchase of 500,000 shares of the company's stock. The company said it bought 456,000 shares of its common in the open market at an average price of \$11.22 a share from November through January.

KFW, which provides investment loans for industrial objectives, said that operating profits for 1986 rose by about a sixth from \$38 million DM in 1985, before reserves were set aside for risk provisions.

Korean Air Lines Co. plans to buy \$2 billion worth of planes and parts in the next five years, its president, Cho Choon-gyun, said. The company is likely to buy Boeing 747s, McDonnell Douglas MD-11s and Airbus A-300s.

Kunz-Holding GmbH, a West German

timber group, will begin producing fiberboard this summer at a new Canadian subsidiary. The unit, Panfiber Inc., will share capital of 15.5 million Canadian dollars (\$11.5 million).

Mercedes-Benz of North America will increase prices 3.9 percent on 1987 cars and optional equipment, beginning with cars delivered to dealers March 2.

R.P. Scherer Corp. has sold its Canadian subsidiary, which makes hard capsules for medicines and vitamins, to Cashman Group Inc. for an undisclosed price. The subsidiary, R.P. Scherer Hardcapsule Ltd., is based in Windsor, Ontario.

Suzuki Motor Co. expects to sell 1.02 million vehicles in the year starting April 1, up from 964,368 a year earlier, said a Japanese company's president, Osamu Suzuki. He said that 1987-88 exports were likely to total 500,000 vehicles up from 472,460, and domestic sales were expected to total 516,000, up from 491,908.

Woodside Petroleum Ltd. has sold its 50.6 percent holding in Vangas Ltd. to Santos Ltd. after a possible higher offer for Vangas shares did not emerge in a form acceptable to Woodsid. National Mutual Life Association Ltd. also confirmed the sale of its 13.9 percent Vangas stake to Santos.

West Germany

ADVERTISEMENT

MANITA ELECTRIC WORKS, LTD.
(CDE)

The undersigned announces that as from Feburary 1987 at Kao Associates N.V., Spuiweg 172, Amsterdam, N.V., esp. no. 265 (accompanied by an "Affidavit") of the CDEs Manita Electric Works, Ltd. will be payable with Dfls. 15.18 per CDE, regis. 50.000 shs. and with Dfls. 105.60 net per CDE, regis. 100.000 shs. (from Feburary 20, 1987) plus Yen 3.75 per CDE, regis. 50.000 shs. (from Feburary 20, 1987) plus Yen 67.50 after deduction of 15% Japanese tax = Yen 56.25 = Dfls. 0.76 per CDE, regis. 100 shs. Yen 56.25 = Dfls. 18.20 per CDE, regis. 100 shs. Without an Affidavit 20% Japanese tax = Yen 90. = Dfls. 1.21 per CDE, regis. 50. shs. Yen 1,000. = Dfls. 24.20 per CDE, regis. 100.000 shs. will be deflected. After 30.04.1987 the div. will only be paid under deduction of 20% Japanese tax. Dfls. 4.09; Dfls. 40.96 net per CDE, regis. 100 and 1.000 shs. each, in accordance with the Japanese tax regulations.

AMSTERDAM DEPOSITORY COMPANY N.V.
Amsterdam, 22nd January 1987.

ADVERTISEMENT

THE DAI-ICHI KANGYO BANK LTD.
(CDE)

The undersigned announces that as from Feburary 1987 at Kao Associates N.V., Spuiweg 172, Amsterdam, N.V., esp. no. 265 (accompanied by an "Affidavit") of the CDEs The Dai-Ichi Kangyo Bank Ltd. will be payable with Dfls. 15.18 net per CDE, regis. 50.000 shs. and with Dfls. 105.60 net per CDE, regis. 100.000 shs. (from Feburary 20, 1987) plus Yen 3.75 per CDE, regis. 50.000 shs. (from Feburary 20, 1987) plus Yen 67.50 after deduction of 15% Japanese tax = Yen 56.25 = Dfls. 18.20 per CDE, regis. 100 shs. Yen 56.25 = Dfls. 18.20 per CDE, regis. 100 shs. Without an Affidavit 20% Japanese tax = Yen 90. = Dfls. 1.21 per CDE, regis. 50. shs. Yen 1,000. = Dfls. 24.20 per CDE, regis. 100.000 shs. will be deflected. After 30.04.1987 the div. will only be paid under deduction of 20% Japanese tax. Dfls. 4.09; Dfls. 40.96 net per CDE, regis. 100 and 1.000 shs. each, in accordance with the Japanese tax regulations.

AMSTERDAM DEPOSITORY COMPANY N.V.
Amsterdam, 22nd January 1987.

WORLDINVEST INCOME FUND

DIVIDEND ANNOUNCEMENT

DECLARATION OF DIVIDEND No. 20

The Trustees of the Worldinvest Income Fund are pleased to announce a U.S. \$3.50 per share distribution to Shareholders in respect of the half-year period from June 26, 1986 to December 31, 1986. Coupon Number 20 and also any previously unrepresented coupons may be presented for payment on or after February 2, 1987 to any of the following Paying Agents:

Bank of America NT & SA,
Hong Kong Main Office
9th Floor, Bank of America Tower
12, Harcourt Road
P.O. Box 311, HONG KONG

BankAmerica Trust & Banking Corporation
(Singapore) Limited
BankAmerica House, East Bay Street, NASSAU, Bahamas

Bank of America International S.A.,
35 Boulevard Royal, P.O. Box 435, LUXEMBOURG
H-2014

Grand Duchy of Luxembourg

BankAmerica Trust Company (Jersey) Limited,
Union House, Union Street,
St. Helier, Jersey, Channel Islands.

Payments will be made subject to any applicable fiscal or other regulations within fourteen days of such presentation.

BankAmerica Trust Company (Jersey) Limited.

Copies of the supplemental trust deeds to above can be inspected at the offices of the BankAmerica Trust Company (Jersey) Limited at Union House, Union Street, St. Helier, Jersey, Channel Islands, the offices of the BankAmerica International S.A. and BankAmerica NT & SA and the offices of the BankAmerica Trust Company (Hong Kong) Limited at Bank of America International S.A., Luxemburg

From February 1, 1987, the BankAmerica Trust Company (Jersey) Limited and BA Investment Management International Limited will be renamed BA Investment Management International Limited and BA Investment Management International Limited (Jersey) Limited.

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**Wednesday's
AMEX
Closing**

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere

12 Month		High	Low	Stock	Div.	Yld.	PE	52 Wk	Hgh	Low	Closg	Qtr.	Chng
A													
143x	63x	ACI Mid						98	147x	143x	145x	+ 1	
145x	103x	ACI mfd	1.28	85				112	149x	145x	145x		
174x	99x	AL Lab's	.12	1.0	18			73	123	117x	12		
83x	47x	AM Int'l						222	424x	76x	7	- 74	- 4
305x	242x	AM Int'l p/c 2.00	4.1		19			25	25x	25x	25x		
33x	21x	AOI						25	25x	25x	25x		
411x	293x	ATT Fd's	.34	.5				170	405x	405x	404x	- 1	
44x	21x	AcmePr	.046					2	5x	5x	5x	- 1	
129x	64x	AcmeU	.32	3.5	47			210	85x	81x	81x	- 1	
157x	75x	Action	.12	1.5	16			210	85x	81x	81x	- 1	
134x	76x	Action						210	85x	81x	81x	- 1	
114x	74x	Adams						35	75x	75x	75x	- 1	
230x	114x	Adams						105	212x	212x	212x	+ 1	
151x	71x	AdEx						19	145x	145x	145x	- 1	
62x	61x	AdBw						22	22x	22x	22x	- 1	
40	77x	Alfin's						16	245	91x	85x	- 1	
123x	64x	Alhalm						922	922	72x	72x	- 1	
114x	41x	AlinPr						43	10	91x	91x	- 1	
52	41x	Alite'n						240	240	240	240	- 1	
495x	341x	Alcoo pr	3.75	7.8				500x	485x	485x	485x	+ 1	
261x	155x	Alzo's						51	1210	25x	25x	- 1	
61x	23x	AmBr't	.88	1.4				67	50x	50x	50x	- 1	
311x	149x	AmMod'l	.20	1.1	32			421x	29x	29x	29x	- 1	
157x	29x	AmMod'l	.15	1.1				7	170x	170x	170x	- 1	
234x	23x	AmMod'l n						31	170x	170x	170x	- 1	
51x	23x	AmCom						8	85	75x	75x	- 1	
51x	23x	AmEFF wt						1020	35x	35x	35x	- 1	
17	73x	AlFruc'A						12	12	115x	115x	- 1	
167x	71x	AlFruc B						12	65x	65x	65x	- 1	
73x	23x	AlHilfM						115	72x	72x	72x	- 1	
204x	8x	Alisrel		3.00	1.4			55	20x	20x	20x	- 1	
185x	73x	Alis'l s						21	18x	18x	18x	- 1	
231x	138x	AlMa'a	.52	2.8				48	175x	175x	175x	- 1	
221x	138x	AlMa'eB	.52	2.8				3	175x	175x	175x	- 1	
64x	2x	AMBD						263	4	375x	375x	- 1	
24x	2x	AmCh						67	65x	65x	65x	- 1	
51x	38x	AmCh'p						20	120x	120x	120x	- 1	
144x	94x	AmCh'p	.18	1.5	73			20	120x	120x	120x	- 1	
94x	54x	AmRiv'y		2.50	32.8			115	20x	20x	20x	- 1	
12	51x	AmRov'l						16	104	104	104	- 1	
133x	4x	ASCI						62	55x	55x	55x	- 1	
101x	3x	ATechC						11	159	67x	49x	- 1	
655x	43x	Atch'p pr						54	187x	175x	175x	- 1	
194x	101x	Atch'p sc						57	78	75x	75x	- 1	
5	101x	Add er						1020	26x	21x	21x	- 1	
58	44x	AAdd'p						15	57x	57x	57x	- 1	
254x	57x	AAdd'p sc						501	245x	225x	225x	- 1	
13x	57x	AAdd'p sc	.04	1.7	7			15	57x	57x	57x	- 1	
157x	57x	AAdd'p sc	.72	5.5	25			20	13	125x	125x	- 1	
157x	57x	AAnestes						35	85x	85x	85x	- 1	
41x	11x	AAnest'l						2	174x	174x	174x	- 1	
173x	152x	AAnest'l n						126	114x	114x	114x	- 1	
128x	36x	AngEng'n						2	9	9	9	- 1	
92x	36x	AngEng'n wf						2	9	9	9	- 1	
91x	73x	AngCm'n						2	26x	26x	26x	- 1	
73x	23x	Amrm'm						2	75x	75x	75x	- 1	
10	51x	Arme'l						332	75x	75x	75x	- 1	
12	83x	ArrowA		20	1.8			9	175x	114x	114x	- 1	
304x	194x	Arund'l						55	20x	20x	20x	- 1	
9	57x	Asmr'g		20	2.3	144		20	20x	20x	20x	- 1	
376x	57x	Asmr'g						57	62x	62x	62x	- 1	
71x	57x	Astro'l pf						2	25x	25x	25x	- 1	
202x	114x	Astron'n						16	625	195x	20x	- 1	
114x	57x	AISCM						111	35	35	35	- 1	
5	34x	Astro's wf						25	42x	42x	42x	- 1	
B													
73x	47x	BAT		20x	2.6			2713	77x	77x	77x	+ 1	
33	21x	BDM's	.12	4	24			42	26x	27x	27x	- 1	
173x	73x	BRT's	.82	48				122	17	165x	17x	- 1	
37x	23x	BSD						4	21x	21x	21x	- 1	
185x	117x	BSN's						19	175x	175x	175x	- 1	
194x	14x	Bodger		.50	3.4	14		14	14x	14x	14x	- 1	
193x	14x	Boker						13	175x	175x	175x	- 1	
11	81x	Baldwin'n						211	104x	104x	104x	- 1	
43x	11x	Baldwin'Mt						86	154x	154x	154x	- 1	
335x	255x	BaldF'd		6.67	24.9			3	20x	20x	20x	- 1	
75x	54x	Bansh'r						47	6	55x	55x	- 1	
139x	74x	Bansh'd		.40	3.5	16		47	113x	105x	111x	+ 1	
64x	57x	Barco						120	4	21x	21x	- 1	
101x	47x	Barm'l						25	114x	94x	94x	- 1	
124x	57x	Bar'd						13	75x	75x	75x	- 1	
104x	47x	BaldBk'n						43	94x	94x	94x	- 1	
373x	164x	BergBr	.30	1.3	19			199	242x	84x	84x	- 1	
47x	2x	BethCo		121	15.8			4	29x	29x	29x	- 1	
35	23x	BethCo	.50	18	16			67	33x	32x	32x	+ 1	
154x	105x	BethCo	.44	3.2	13			18	125x	133x	133x	+ 1	
234	22x	Birk'Mf	1.00	4.3				13	132x	237x	237x	+ 1	
253	13x	Bizo'R						31	1	242x	242x	+ 1	
254	13x	Bizo'R A						31	43	254x	254x	+ 1	
213x	14x	Bisse's	.34	1.4	15			74	2	21	21	- 1	
214	14x	Block'E						74	15x	15x	15x	- 1	
164x	113x	Blou'mA	.45	3.7	26			65	124x	117x	124x	- 1	
234	14x	Blou'mP						483	104x	104x	104x	- 1	
9	23x	Booth						8	47x	47x	47x	- 1	
124x	67x	Boor'val		20	15			187	13	125x	125x	- 1	
124x	67x	Boor'A's		40	3.0	14		3	31x	3	3	- 1	
275x	194x	Bowme	.50	1.7	14			552	292x	284x	294x	+ 1	
223	13x	Bron's g's	.50					55	22x	22x	22x	- 1	
42	42x	BronFA	1.24	2.0	17			521	521	615x	626x	- 1	
73	42x	BronFB	1.24	1.7	19			5	54x	54x	54x	- 1	
42x	24x	BronF pf	1.0	7.1				5	54x	54x	54x	+ 1	
62x	3x	Bucklin						50	12	51x	51x	+ 1	
22	74x	Bushin						25	56	21x	21x	+ 1	

ADVERTISEMENT

INTERNATIONAL FUNDS (QUOTATIONS SUPPLIED BY I.B.M. LISTED) 26 JUN. 1967

Net asset value quotations are supplied by the Funds listed with the exception of some quotes based on issue price.
The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (r) - regularly; (i) - irregularly.

MANAGEMENT	(-w) Cash Fund	\$ 25.99	HILL SAMUEL INVEST. MGMT. INT'L S.A.	Other Funds
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-i) AL-MAL MANAGEMENT	\$ 264.71
BANK JULIUS BAER & CO. LTD.	
-i) Interbond	SF 92.10
-i) Equibond	SF 140.00
-i) Equibond America	S 145.00
-i) Equibond Europe	S 157.00
-i) Equibond Pacific	S 135.00
-i) Grabar	SF 104.00
-i) Stockber	SF 162.00
-i) SFR-BAE R	SF 100.00
BAII MULTICURRENCY	
-i) Multicurrency US\$	S 1,135.28
-i) Multicurrency Ecu	ECU 1,020.00
-i) Multicurrency Yen	YEN 203,394.00
BNP INTERFUNDS	
-i) Interbond Fund	S 176.40
-i) Interbond US\$	S 160.00
-i) Interbond DM	DM 160.00
-i) Interbond British Sterling	S 161.60
-i) Interbond French Other	S 111.20
-i) Interbond German Other	S 124.00
-i) Interbond N. Amer. Other	S 117.00
BANQUE INDOSUEZ	
-i) Asian Growth Fund	S 22.13
-i) Divarbond	SF 84.23
-i) FIF-America	S 16.61
-i) FIF-Europe	S 26.41
-i) FIF-International	S 16.21
-i) FIF-Pacific	S 16.21
-i) France Blue chips No 1	FF 100,075.20
-i) France Blue chips No 2	FF 100,572.70
-i) Indosuez MultiBonds A	S 225.00
-i) Indosuez MultiBonds B	S 231.18
-i) Indosuez USD (MLMF)	S 112.00
-i) IPNA-Plus	S 100.00
-i) Pacific Gold Fund	S 11.57
-i) Pacific Gold Fund	S 11.57
-i) ECU Multireplacement	Ecu 1003.73
MIM BRITANNIA, POB 271, St. Heller-Jena	
-i) Dollar Income	S 6,900.00
-i) Dollar Mon.Curr.	S 13.14
-i) Dollar Mon. Port	S 1,670
-i) Sterling Mon.Port	S 162.21
-i) Amer. Inc & Growth	S 1,322
-i) Gold & Prec. Metals	S 1,634
-i) Sterling Mon. Curr.	S 17.72
-i) Japan Dollar Port. Fd.	S 2,666
-i) Germany Gift Fund	S 2,017
-i) Global Global Strat	S 151.00
-i) World of Leisure	S 1,449
-i) World of Technology	S 1,080
BROADCAST INTERNATIONAL FUND	
-i) S Money Market	S 10.41
-i) Non-S Money Market	DM 24.62
-i) S Bond	S 11.48
-i) Non-S Bond	DM 22.73
-i) Global Equity	S 14.27
-i) Global Bond	S 10.03
-i) Global Equity & Bond	S 11.75
CAPITAL INTERNATIONAL	
-i) Capital Int'l. Fund	S 49.92
-i) Capital Italia SA	S 34.55
CITICORP INVESTMENT BANK (Linx)	
POB 1372 Luxembourg Tel. 477.937	
(d) CIInvest Ecu	ECU 1124.70
(d) CIInvest Liquidity	S 100.71
(d) CIInvest Monogr. Growth	S 1130.52
CIITRADE FUND	
(d) U.S. \$ Bonds	S 10.44
(d) U.S. \$ Money Market	S 10.32
(i) Citibank US & Equities	S 201.59
CREDIT SUISSE (ISSUE PRICES)	
-i) Actions Suisses	SF 517.00
-i) Bond Voter Swf	SF 106.15
-i) Bond Voter D-mark	DM 109.00
-i) Bond Voter U.S-DOLLAR	S 125.57
-i) Bond Voter S. Sterling	S 10.40
-i) Bond Voter Yen	Yen 18,749.00
-i) Convert Voter	SF 134.35
-i) Convert Voter US-DOLLAR	S 154.24
-i) Concourse	SF 58.00
-i) CS Ecu Bond A	ECU 162.74
-i) CS Ecu Bond B	ECU 102.74
-i) CS Fonds-Bonds	SF 77.00
-i) CS Fonds-Int'l	SF 120.50
-i) CS Golden Bond A	FF 161.72
-i) CS Golden Bond B	FL 161.72
-i) CS Gold Value	SF 134.35
-i) CS Money Market Fund	S 1169.77
-i) CS Money Market Fund	DM 1172.00
-i) CS Money Market Fund	ECH 1121.12
-i) CS Money Market Fund Pd Yen	YGS 245.00
-i) CS Short-T. Bd 5 A	S 100.81
-i) CS Short-T. Bd 5 B	S 100.81
-i) CS Short-T. Bd DM A	DM 101.14
-i) CS Short-T. Bd DM B	DM 101.14
-i) Energy-Votor	SF 144.50
-i) Eurose-Votor	SF 74.00
-i) Euroso-Votor	SF 200.73
-i) Pacific-Votor	SF 197.00
DREXEL BURNHAM LAMBERT INC	
Winchester House, 77 London Wall	
LONDON EC2 (01 792777)	
-i) Finsbury Grp Ltd.	S 154.72
-i) Winchester Diversified	S 15.55
-i) Winchester Financial Ltd.	S 84.7
-i) Winchester Frontier	S 136.77
-i) Winchester Holdings	FF 118.59
-i) Winchester Recovery Ltd	S 19.00
-i) Worldwide Securities	S 77.21
-i) Worldwide Securities	S 269.10
DUT INVESTMENT FFM	
-i) Capital Fund	DM 35.41
-i) Int'l. Rentfond	DM 78.73
ESB TRUST CO. (JERSEY) LTD.	
15, St. S. St. 15, Jersey JE21 1AZ1	

D CURRENCY FUND;	Bid: \$15.45 Offer: \$15.017	-d) G.T. Daybreak Fund	\$ 9.110	-d) Garmoc German
-d) Bid: \$ 17.71 Offer: \$ 18.261	-d) G.T. Dollar Fund	\$ 20.44	-d) Gleibwein st.	
NATIONAL INCOME FUND	-d) G.T. Europe Fund	\$ 25.62	-d) SFR-Invest	
Term 'A' (Accum) \$ 1.563	-d) G.T. Euro. Small Cos. Fund	\$ 22.23	-d) Sims (stock bonds)	
Term 'A' (Distri) \$ 0.5786	-d) G.T. Global Technology Fd.	\$ 18.05	-d) Yen-Invest bonds	
Term 'B' (Accum) \$ 1.592	-d) G.T. Henshu Pohtimider	\$ 59.47	UNION INVESTMENT	
Term 'B' (Distri) \$ 1.1747	-d) G.T. Investment Fund	\$ 22.23	-d) Uniarena	
Long Term \$ 29.32	-d) G.T. Japan Sm. Co.Fd.	\$ 73.00	-d) Unimonds	
AGE MANAGEMENT	-d) G.T. Newly Ind. Caunt. Fd.	\$ 11.43	-d) Unirisk	
Square, St. Heller, Jersey, C.I.	-d) G.T. South China Fund	\$ 24.02	-d) UNIZINS	
Small Fund \$ 29.07	-d) G.T. Techology Fund	\$ 31.68		
	-d) G.T. U.S. Small Companies	\$ 11.15		

Be sure that your fund is listed in this space daily. Telex Matthew GREENE at 613595F for further information.

U.S. Considers a Delay In Reporting Some Data

Reuters
WASHINGTON — The U.S. government said Wednesday that it was considering change

The change — for merchandise trade and gross national product — is being considered because reports from the Customs Service have

because reports from the Customs Service have been slow to come in, the Commerce Department said. As a result, trade figures have had to be substantially revised each month. GNP reports use the trade figures.

The department is considering moving back the trade figures by 10 days to two weeks and the quarterly GNP figures by a week. Monthly trade figures now are made public in the final week of the following month, the GNP report in

week or the following month, the GNP report in the third week after the end of each quarter.

AMEX Highs-Lows

NEW HIGHS 33

ACI Holdings		Amisrael		AmerOilGos		Bow Valley	
BushInd	Cominco	CdnOcci	CorpPl	Construcrs	Courtlays	Chifd	o/b
DWG Corp	Fitchs GE p	CaptFacts	EchoBoy	ForestCrv	Glennftr	ElectrSnd	
GulfCanada n	InmetCo A	Demkar	MacNish	PlacerDn	NoCanO	SDie 7720r	
PGE 1200g	InterOil A	Penntri	PlacerDn	TorlePl	UserGrp	77wrt	
SunmreIns pf	TexasAirCo	TexasAirCo	TorlePl	TorlePl			
Westarne g							
NEW LOWS 2							
WherhsEn s		YankeeCos pf					
Next Bid Asked							
38-04	99.97	100.07	Abbey Nat	99.95	100.05	10.518191	99.59
-04	99.97	100.07	Abbey Nat	99.95	100.05	11.280032	99.59
-04	100.00	100.10	Abbey Nat	99.95	100.05	11.280032	99.59
05-04	99.95	99.95	Alliance + Linc	99.95	99.95	11.280032	99.59
12-07	99.75	99.75	Alliance + Linc	99.95	99.95	11.280032	99.59
-04	99.90	100.00	Anglia 98 Gb	99.95	100.05	11.280032	99.59
16-01	99.95	99.95	Anglia 98 Gb	99.95	100.05	11.280032	99.59
16-01	99.92	99.92	Anglia 98 Gb	99.95	100.05	11.280032	99.59
27-02	99.78	99.90	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.85	99.90	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.85	99.90	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.80	99.85	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.80	99.85	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.70	99.80	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.70	99.80	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.65	99.70	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.65	99.70	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.60	99.65	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.60	99.65	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.55	99.60	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.55	99.60	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.50	99.55	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.50	99.55	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.45	99.50	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.45	99.50	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.40	99.45	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.40	99.45	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.35	99.40	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.35	99.40	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.30	99.35	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.30	99.35	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.25	99.30	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.25	99.30	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.20	99.25	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.20	99.25	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.15	99.20	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.15	99.20	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.10	99.15	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.10	99.15	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.05	99.10	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.05	99.10	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	99.00	99.05	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	99.00	99.05	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.95	99.00	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.95	99.00	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.90	98.95	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.90	98.95	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.85	98.90	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.85	98.90	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.80	98.85	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.80	98.85	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.75	98.80	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.75	98.80	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.70	98.75	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.70	98.75	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.65	98.70	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.65	98.70	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.60	98.65	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.60	98.65	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.55	98.60	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.55	98.60	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.50	98.55	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.50	98.55	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.45	98.50	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.45	98.50	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.40	98.45	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.40	98.45	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.35	98.40	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.35	98.40	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.30	98.35	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.30	98.35	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.25	98.30	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.25	98.30	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.20	98.25	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.20	98.25	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.15	98.20	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.15	98.20	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.10	98.15	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.10	98.15	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.05	98.10	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.05	98.10	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	98.00	98.05	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	98.00	98.05	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	97.95	98.00	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	97.95	98.00	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	97.90	97.95	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	97.90	97.95	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	97.85	97.90	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	97.85	97.90	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	97.80	97.85	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	97.80	97.85	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	97.75	97.80	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	97.75	97.80	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	97.70	97.75	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	97.70	97.75	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	97.65	97.70	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	97.65	97.70	Anglia 98 Gb	99.95	100.05	11.280032	99.59
11-04	97.60	97.65	Anglia 98 Gb	99.95	100.05	11.280032	99.59
-04	97.60	97.65	Anglia 98 Gb</				

Deutsche Marks

Issuer/Mat.	Coupon	Next	Bid	Asked
Austria '98	4%	19-02	98.75	99.25
Bkt Greece 97-95 (Dm)	3.5%	30-04	94.12	97.67
Bkttino '95 (Dm)	5%	29-04	96.0	97.39
Bulgaria '97 (Dm)	4.5%	27-02	100.5	100.59
Commercek '95 (Dm)	4.5%	27-02	100.75	99.95
Cred Fonciere M (Dm)	4.75%	15-07	100.04	100.97
Dresdner Fins '90 (Dm)	4%	27-02	99.95	100.15
Eec '92 (Dm)	5%	24-07	98.07	99.14
Ireland '97 (Dm)	4.5%	27-02	99.95	100.25
Midland '97 (Dm)	5%	26-03	100.25	100.18
Noi Marques '95 Cap	5%	27-02	99.95	100.25
Renfe '95 (Dm)	4.5%	14-03	99.75	99.75
Sweden '97 (Dm)	4.5%	27-02	100.42	100.46

E.C.U

Be sure that your fund is listed in this space daily. Telex Matthew GREENE at 613595F for further information.

CURRENCY MARKETS

DOLLAR: Plunge Continues as G-5 Rumors Swirl

(Continued from first finance page)
ward meeting shortly on stabilizing exchange markets.

He also indicated that Japan would cut its discount rate soon — something he has said would not happen until after a G-5 meeting. Mr. Saito's statements seemed to buttress remarks by Finance Minister Kiichi Miyazawa last week that he and his U.S. counterpart, James A. Baker 3d, had agreed to work for an early G-5 meeting.

Japan and West Germany are the strongest critics of the U.S. policy of letting the dollar drift, because their goods have become more expensive and their export industries have suffered.

But in West Germany, the Bundesbank said it was not aware of any planned G-5 meeting, while in New York, a U.S. Treasury official also denied the rumors. And in Paris, the French finance minister, Edouard Balladur, said that while he would back a G-5 meeting, none had been scheduled.

Newspapers said earlier this week that a meeting had been scheduled for Feb. 7 in Paris.

Dealers attributed the dollar's weakness largely to expectations that U.S. economic data scheduled for release this week would be me-

Closing	Wed.	Thur.
Deutsche mark	1.7640	1.6976
French franc	1.5916	1.5348
Japanese yen	151.35	151.35
Swiss franc	1.2576	1.2576
French franc	5.9002	5.8202

Source: Reuters

dioce or negative. These include durable-goods orders and trade figures for December.

The dollar's recent downturn began last month, with the announcement that the U.S. trade deficit for November was a record \$19.2 billion, much more than had been expected. Several top administration officials have said since then that they expect little improvement in the December figures.

Dealers said that President Ronald Reagan's State of the Union address on Tuesday, by failing to mention the dollar, had reinforced the prevailing belief that his aides were willing to let the currency fall further.

Mr. Reagan asked Congress Tuesday for wide measures to make American goods more competitive, but did not mention the dollar. The administration is under huge pressure to help narrow the trade deficit.

ci, which is estimated to have totalled around \$174 billion last year.

Traders said the markets were now eager to sell dollars to test central banks' willingness to intervene in support of the currency.

But dealers said the 150-year level remained a key support point for the dollar, and rumors circulated that the U.S. Federal Reserve had intervened in Tokyo trading to help the Bank of Japan protect the yen.

Even since the dollar began its sharp slide a few weeks ago, the possibility of central bank action to brake its decline has been uppermost in participants' minds.

In Tokyo, where trading ends before the European day begins, the dollar fell to 150.90 yen from 152.65 on Tuesday.

In New York, the rumors of central-bank intervention helped the dollar to recover slightly from a plunge in early trading.

It also got a boost from rumors that the Fed had asked banks to quote dollar/mark rates.

"When the Fed does that, the market immediately takes it as a sign that the Fed is protesting the dollar's current value against a particular currency," one dealer explained. "That started the sparks flying."

THE EUROMARKETS

Prices Mixed as Dollar Continues to Slide

By Norma Cohen
Reuters

LONDON — Eurobond prices ended mixed Wednesday, with investors sidelined by the dollar's continued steep fall to the lowest levels in more than six years.

"The main thing today was the collapse of the dollar," said a trader at a Japanese bank. The U.S. currency fell to about 1.7670 Deutsche marks by midday, and only late rumors that a meeting of the Group of Five industrial nations is imminent rescued it from that level, traders said.

Eurodollar bonds ended little changed, while yen bonds closed a touch firmer, traders said.

Traders said that with the dollar's woes coinciding with the U.S. Treasury quarterly be-

ginning Wednesday, expectations were that interest rates might have to rise to keep foreign investors interested.

The dollar's weakness weighed on the new issues market, although not enough to prevent a Eurodollar bond from Mitsui Trust & Banking Co. The issue, a \$200 million offering of seven-year debt, carries a coupon of 7½ percent, a spread of 81 basis points over comparable maturity Treasuries. The issue is priced at 101½ and was quoted late Wednesday within its fees at a discount of 111/16.

Traders speculated that the Mitsui offering may have been part of an interest-rate-swap arrangement that, from the borrower's point of view, makes sense, even with a falling dollar.

Australian dollar issues also firmed slightly, despite the recent glut of new offerings.

Meanwhile, the strength of the yen sparked two new issues. The first, a 15 billion yen offering of seven-year, 5.5 percent bonds from Portugal, was priced at 101%. Late in the day it was trading within its fees at a discount of 1%, traders said.

However, the other yen offering, a 20 billion yen bond from Christiana Bank, did not fare as well, traders said. The issue carries a coupon of 5 percent and was priced at 101¾.

Christiania Bank has been too frequent a borrower in the last three months," a yen bond trader said.

Australian dollar issues also firmed slightly, despite the recent glut of new offerings.

BIS:
New Tactics

(Continued from Page 1)

an exaggeration," a BIS official said.

The BIS also reported Wednesday that the external assets of banks in North America, Japan, Western Europe and certain offshore financial centers soared \$228 billion in the third quarter, to \$3

trillion.

Discounting the distortions resulting from the dollar's depreciation in raising the value of nondollar holdings, the increase was estimated at \$167 billion, still the largest recorded in any three-month period.

In percentage terms, the real increase was equal to a compound annual rate of 26 percent, the highest rate of growth recorded since 1981.

The report also said that Japanese banks have surpassed U.S. banks as the world's largest, accounting for 31.6 percent of total assets. U.S. banks are now a distant second, with 18.6 percent, down from first place, with 26.3 percent of the assets, in September 1984.

The BIS said that the sharp appreciation of the yen has been a major factor in the rapid expansion of Japanese banks. Because the capital base of Japanese lenders is denominated in yen, the BIS said, they are able to add dollar-denominated loans, or assets, to their books without affecting their required ratio of capital to loans outstanding.

The amount of international business denominated in yen also blows up the size of their international assets when translated into dollars, it said.

As a result, the current dollar value of the international assets of Japanese banks has risen \$50 billion, or 9 percent, since September 1984, the BIS said. By September, the international assets of Japanese banks exceeded those of U.S. banks by 70 percent.

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Australian dollar issues also firmed slightly, despite the recent glut of new offerings.

BUSINESS PEOPLE

Horn Leaving Federal Reserve Bank

By Arthur Higbee
International Herald Tribune

Karen N. Horn, president of the Federal Reserve Bank of Cleveland since 1982, will resign in April to become chairman and chief executive of Bank One of Cleveland.

Mrs. Horn was the first woman to be named president of a federal reserve bank. In her new job she will be one of the two or three leading women banking executives in the United States, according to John Russell, a spokesman for Banc One Corp., the Columbus-based bank holding company that owns Bank One.

At Bank One, Mrs. Horn, 43, will succeed Ralph W. Abelt, 57, who is retiring. She will not become a director of Banc One Corp., which has assets of \$17.4 billion and runs 34 banks in four states. Bank One of Cleveland has assets of \$1.4 billion and operates 47 branches in northeastern Ohio.

"Banc One manages with a style that allows a great deal of autonomy to its subsidiaries, and that's one thing I find very attractive," Mrs. Horn said.

She said her short tenure at the Federal Reserve was part of a new trend among its presidents to enter

the bank at midcareer, then return to the private sector.

Mrs. Horn was active in resolving the 1985 savings and loan crisis in Ohio. She put into place a plan to monitor and deal with deposits at institutions insured by the Ohio Deposit Guarantee Fund after it was found that the fund could not cover losses caused by the failure of Home State Savings Bank of Cincinnati.

Mrs. Horn grew up in California and graduated from Pomona College in Claremont, California. She received a doctorate in economics from Johns Hopkins University in Baltimore.

Banc One Inc., a diversified manufacturer in Cleveland, said Jeffrey Steiner, its chairman and chief executive, has taken the final steps to acquire Rexnord Inc. for about \$525 million. This is the biggest financial maneuver taken by the Australian-born Mr. Steiner, 50, since he came to Banc One in 1984 from Cedec SA, a Paris-based engineering concern that he founded in 1975.

Rexnord, a bigger company than Banc One, has sales of about \$1 billion in industrial components, is based in Brookfield, Wisconsin.

Mr. Steiner said his company had promoted Gerald Tsai Jr. to chairman, succeeds William Woodside, who retires Saturday on turning 65, and to president on March 1, when Frank Connor, 55, takes early retirement.

Mrs. Horn grew up in California and graduated from Pomona College in Claremont, California. She received a doctorate in economics from Johns Hopkins University in Baltimore.

Analysts said it is unlikely that Mr. Steiner will change day-to-day operations there. The New York Times reported. Analysts see him as a financial strategist rather than an operations executive, citing his decision to move Banc One's executive offices to New York. This move has left the company, whose headquarters remains in Cleveland, in the operational control of Samuel J. Krasney, 61, Steiner's founder, previous chief executive and current chief operating officer.

Avions Marcel Dassault-Breguet Aviation de France has promoted four key executives from general manager to vice president: Jacques Estebe, 62, for industrial management; Charles Edeleine, 49, for finance; Bruno Revolin-Falocq, 46, for technology and research, and Hugues de L'Estoile, 55, for international relations and exports.

American Can Co. has promoted Gerald Tsai Jr. to chairman, succeeds William Woodside, who retires Saturday on turning 65, and to president on March 1, when Frank Connor, 55, takes early retirement.

Mr. Tsai, 57, has been vice chairman since 1983 and chief executive officer since last April. The company said Mr. Tsai had been instru-

Chief Executive
Of Weirton Steel
Plans to Retire

United Press International

WEIRTON, W. Virginia — Robert Loughhead, who led Weirton Steel Corp.'s transition to employee ownership in 1984 after it was cast off by National Intergrup as unprofitable, has said he will retire.

Mr. Loughhead, 57, has been the company's chairman, president and chief executive officer since mid-1983. He will remain to direct his successor.

In January 1984, Weirton became the largest U.S. company owned entirely by its workers. It has turned a profit in each quarter since, but profits have steadily slipped. In December, Mr. Loughhead announced that would cut at least 160 management employees from the 8,000-employee work force.

mental in building its financial services businesses, which now account for 70 percent of profits.

Australian export market, a brewer from the heart of Australia's wine country, acknowledged that "the affluent society is buying more wine" here and that made the U.S. beer market more attractive.

He is William T. Cooper, managing director of Thomas Cooper & Sons Ltd., which exports more bottled beer to the United States from Australia than any other brewery.

(Almost all of Foster's exports are in cooper's brewery, which dates

from 1862, is in the Adelaide suburb of Leabrook in the state of South Australia, where most of the country's wines are produced. Mr. Cooper said his modestly sized brewery, which a decade ago sold virtually all of its output in South Australia, now sells but a third in its own territory. He said Cooper was shipping 100,000 cases of beer to the United States a year, most of it in bottles.

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"We produce for the export market at a time when our breweries are traditionally idle," he said.

"That alone justifies going into the

not relish: a 25 percent drop in per capita beer consumption at home in the past decade, a period in which wine consumption has almost doubled per capita.

Yet another major player in the

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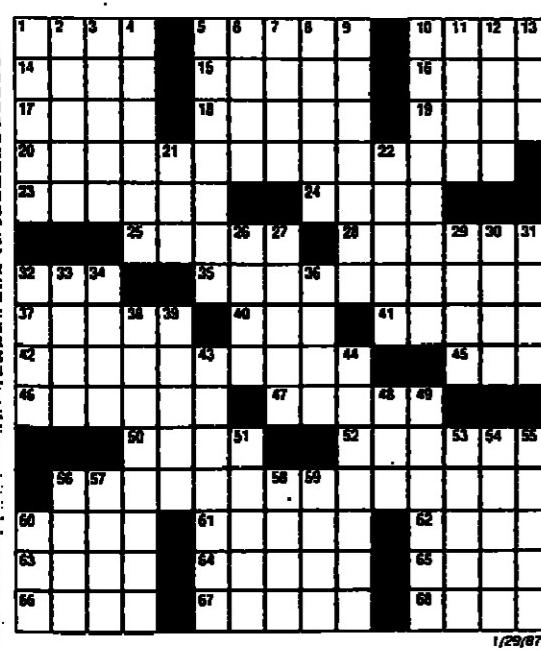
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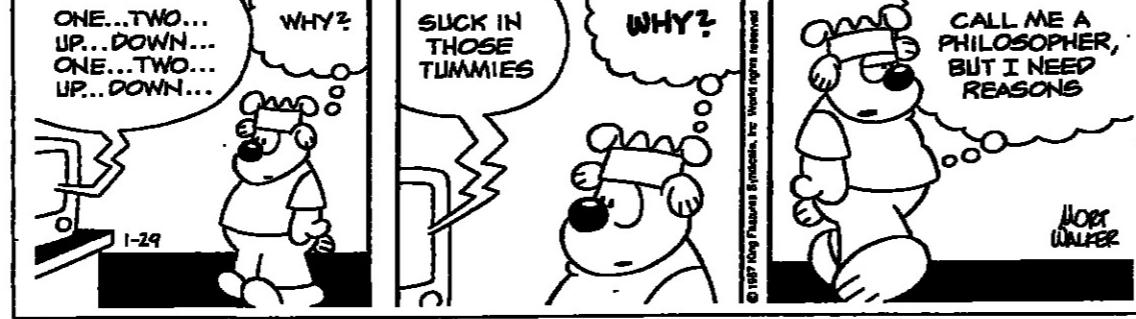
PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



WIZARD OF ID



ACROSS

- 1 Trevino, Watson et al.
- 5 Wading bird
- 10 Sunday event for some
- 14 Goddess of wisdom
- 15 Baseball's Big or Little Poison
- 16 Writer Wiesel
- 17 Vis a kin
- 18 Get on a soapbox
- 19 Certain facts
- 20 Tell it as it is
- 23 Bean and Welles
- 24 Medical suffix
- 25 Rock star
- 28 Moss Hart autobiography
- 32 Short haircut
- 35 Part of 45 Across
- 36 Apple
- 40 Mongrel
- 41 Bright to bay
- 42 "It's Too Late" singing star
- 45 White House monogram
- 46 Certain laughs
- 47 Pentateuch
- 50 Numeric prefix

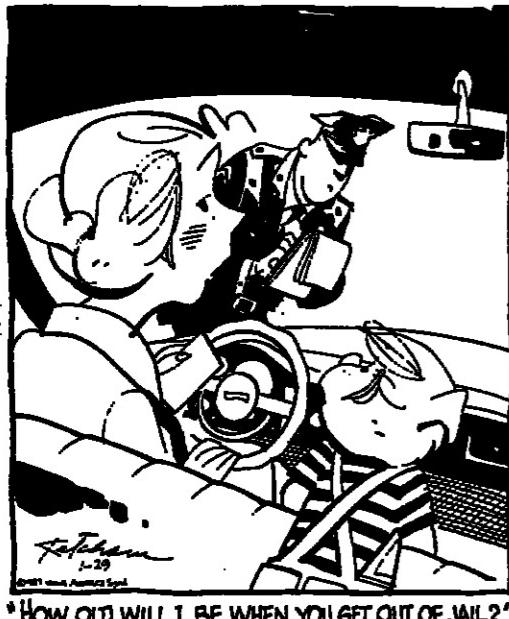
DOWN

- 1 Van Dine's Vance
- 2 Do a new paving job
- 3 Carries out
- 4 Comics like Chaplin
- 5 Actress Kurtz
- 6 Mountain lake
- 7 — the beginning
- 8 River in Hades
- 9ape Hans Brinker
- 10 Anagram for loop
- 11 Pres. Arthur's middle name
- 12 Place
- 13 Coral or Red Blaster's material
- 14 "Every cloud — silver..."
- 15 Half of a dance

CROSSWORD

© New York Times, edited by Eugene Maleska.

DENNIS THE MENACE

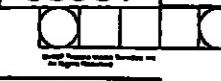


JUMBLE

THAT SCRABLED WORD GAME by Herri Arnold and Bob Lee

Unscramble these four Jumbles, one letter in each square, to form four ordinary words.

USCOT



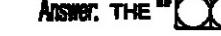
AHTEB



SNELET



LAWESE



Now arrange the circled letters to form four words suggested by the above cartoon.

Answer: THE "CIRCLE" WORDS

(Answers tomorrow)

Yesterday's Jumble: LINER OPIUM RECTOR FATHOM

Answer: Some people scratch for money; others do the —ITCH FOR IT

WEATHER

EUROPE

AFRICA

MIDDLE EAST

OCEANIA

Anamericana

London

Paris

Sydney

Zürich

Tokyo

Hong Kong

Singapore

Tokyo

Kuala Lumpur

Bangkok

Mumbai

Khartoum

Abidjan

Casablanca

Algiers

Tripoli

Tunis

Cairo

Amman

Jerusalem

Tel Aviv

Beirut

Tehran

Kabul

Doha

Abu Dhabi

Muscat

Manama

Bahrain

Dammam

Riyadh

Kuwait

Doha

SPORTS

Pro Football Names 7 to Hall of Fame

Compiled by Our Staff From Dispatches

CANTON, Ohio — Running back Larry Csonka and John Henry Johnson, quarterback Len Dawson, defensive tackle Joe Greene, center Jim Langer, offensive guard Gene Upshaw and receiver Don Maynard were voted into the Pro Football Hall of Fame on Tuesday.

The seven electees, bringing the total of the hall to 140, will comprise the largest single group to be inducted since 1971. For the first time since 1977, three players — Greene, Upshaw and Langer — were inducted in their first year of eligibility.

Csonka, who rushed for 8,081 yards and 64 touchdowns in his 11-year career, and Langer, who spent most of his 10 pro seasons with Miami, will be enshrined Saturday.

"I'm twice as happy to be inducted because Jim Langer is going in with me," said Csonka. "I'm ecstatic for Jim because linemen don't usually get much publicity or many honors. It's kind of guy that if you broke his arm and broke his leg, he just might say, 'Ouch.' He was a man of actions, not a man of many words."

"He was absolutely critical to my success. This means a lot more to me because one of my guys — Langer, Bob Kuechenberg, Larry Little and Bob Griese — got in the same year I did."

Csonka, 6-foot-3 and 235 pounds (150 meters, 106.5 kilograms), was the most valuable player in Miami's 24-7 victory over Minnesota in Super Bowl VIII. He played for the Dolphins in two stints and also saw action for the New York Giants and in the defunct World Football League.

Langer, a 6-2, 253-pounder, was drafted on waivers by the Dolphins and went on to be named to the Pro Bowl six times. He played every offensive down of Miami's perfect 1972 season.

Greene and Johnson became the sixth and seventh Steelers voted into the hall but the first Steelers inducted since Ernie Stautner in 1969.

Nicknamed Mean Joe, Greene played in 10 Pro Bowls and four Super Bowls during his 13-year career with Pittsburgh. He played in 51 consecutive games from 1969 to 1975 and was named the National Football League's defensive player of the year, in 1972 and 1974.

"It's terrific, it's the top. It doesn't get any better than making the hall of fame," said Dawson, a native of Alliance, Ohio. "I grew up in the same county where Canton



Larry Csonka, Miami's standout running back, in action in 1975.

Weather Disrupts Ski Meet

United Press International

CRANS-MONTANA, Switzerland — Snow, fog and wind combined Wednesday to halt the world Alpine ski championships and force the postponement of the women's combined downhill.

The race was rescheduled for Friday, immediately following the men's combined downhill. The women's slalom was to go ahead Thursday as planned.

Along with falling snow, fog at the top of the 2,032-meter (6,660-foot) Mont Lachaux course heightened Wednesday's visibility problems; much of the course takes the skiers through trees. The start of the combined downhill, the first women's race of the two-week championships, was pushed back two hours, but when conditions held, racing was abandoned for the day.

An off (Feb. 6) is built into the schedule, but confirming bad weather would create a backlog, as happened both at the 1984 Winter Olympics and the 1985 world championships. In both cases, the men's and women's downhills had to be held on the same day.

"It's the only sport I can do," said Clarke, sitting in a more sophisticated monobob, a small fiberglass craft steered and given extra stability by two small hand-held skis. "And it can be fun — if you get it right."

Switzerland's Paraplegic Association first organized an international meet for handicapped skiers here two winters ago. Since then, the sport has grown worldwide and championships have been staged elsewhere.

The Handicapped Find Fresh Hope on the Slopes

By Peter Conradi

ENGELBERG, Switzerland — Briton David Clarke, 26, was paralyzed from the chest down when he was hit by an urban guerrilla's bullet in Northern Ireland.

American Chad Collet, 42, lost both legs in Vietnam.

But, along with more than 120 other paraplegics and amputees from across the world, male and female, they came to this resort near Lucerne to prove that winter sports are not just for the completely able-bodied.

They spent a week here earlier this month learning about the latest developments in ski technology, trying out new equipment and taking to the slopes to test themselves competitively.

"It's great to go out with my family and just do something that able-bodied people do," said Collet, who played college football and was a page-vaulting before serving with the armed forces in Vietnam.

He started out four years ago on a simple sled — he called it "my bath tub" — but now takes to the piste on a seat mounted by a firm spring onto a single ski.

"It's the only sport I can do," said Clarke, sitting in a more sophisticated monobob, a small fiberglass craft steered and given extra stability by two small hand-held skis. "And it can be fun — if you get it right."

Getting up to the slopes in a wheelchair all the time, then gliding on the snow is something very special," said Caroline Bergstrom, a trained physiotherapist from Geneva. "And there is the great advantage that they are not forced into a ghetto with other handicapped people."

But the problems to be overcome in an environment designed for the able-bodied are great.

Getting up to the slopes in a wheelchair all the time, then gliding on the snow is something very special," said Caroline Bergstrom, a trained physiotherapist from Geneva. "And there is the great advantage that they are not forced into a ghetto with other handicapped people."

Obtaining suitable equipment is a problem. One company, OGL Technik of West Germany, sells a monobob, but it can cost as much as 2,500 Deutsche marks (\$1,75). Some people — Collet is one — make their own, although experts say they can often be unsafe.

Although no one knows the number of handicapped skiers worldwide, experts here said the sport is obviously growing, taking its place alongside such other, more common, wheelchair sports as basketball and athletics.

It is also becoming more competitive. "Until five years ago, anyone turning up for the U.S. national competitions could just take part, even if they had never skied before," said Collet. "Now you have got to win a regional championship first."

"Despite the difficulties, it is worth it, it's great fun," said Josef Schwytzer, a Swiss mechanic who lost the use of his legs after being knocked off his motorcycle.

"My wife, who is able-bodied, always used to go off on skiing holidays, so about two years ago I thought I would too. I bought a bob last year and have been in intensive training ever since."

Like many other skiers here, Schwytzer said he usually meets with sympathy from lift operators, although able-bodied skiers often cannot believe their eyes when he hurtles past.

"Normally they just look oddly at me, but friends skiing behind hear what they say," he laughed.

"Things like 'He's skiing like a madman' and 'What are these people with wheelchairs doing in the mountains, anyway?'"

SCOREBOARD

NBA Standings

EASTERN CONFERENCE

Atlantic Division

W. L. Pct. GP

Boston 31 11 .728

Philadelphia 24 17 .571

Washington 21 20 .512

New York 12 20 .310

New Jersey 16 20 .385

Central Division

Atlanta 27 14 .697

Detroit 26 15 .542

Milwaukee 27 15 .542

Chicago 21 19 .476

Indiana 20 22 .476

Cleveland 16 22 .311

WESTERN CONFERENCE

Midwest Division

Dallas 26 15 .434

Utah 24 17 .558

Houston 22 20 .524

Denver 19 24 .422

Sacramento 14 27 .341

San Antonio 12 20 .376

Pacific Division

L.A. Lakers 33 9 .766

Portland 26 18 .511

Seattle 22 19 .527

Golden State 19 24 .422

Phoenix 18 22 .419

L.A. Clippers 5 36 .122

Tentative Standings

Atlanta 31 14 29 .846

Milwaukee 19 11 20 .474

Wilkes-Barre 11-11-20

Philadelphia 11-11-20

Milwaukee 11-11-20

Dallas 11-11-20

Utah 11-11-20

Seattle 11-11-20

Phoenix 11-11-20

Portland 11-11-20

Milwaukee 11-11-20

